



RHONDDA CYNON TAF COUNCIL FINANCE AND PERFORMANCE SCRUTINY COMMITTEE

Minutes of the meeting of the Finance and Performance Scrutiny Committee held virtually on
Tuesday, 22 March 2022 at 5.00 pm.

County Borough Councillors - Finance and Performance Scrutiny Committee Members in attendance:-

Councillor M Powell (Chair)

Councillor G Thomas Councillor H Boggis
Councillor J Cullwick Councillor J Edwards
Councillor S Evans Councillor J Williams
Councillor R Yeo

Officers in attendance:-

Mr P Griffiths, Service Director – Finance & Improvement Services
Ms S Davies, Head of Finance
Mr D James, Service Director – Prosperity & Development
Mr A Wilkins – Director of Legal Services
Mrs T Watson – Senior Democratic & Scrutiny Officer

Other County Borough Councillors in attendance:-

Councillor M Norris – Cabinet Member for Corporate Services

Co-opted Members in attendance:-

Mrs R Lydon – Parent/Governor Representative
Mr M Veale – Parent/Governor Representative

54 Apologies

Apologies of absence were received from County Borough Councillors S Bradwick, E George, J James, and S Rees-Owen.

55 Scrutiny Research Function

The Senior Democratic & Scrutiny Officer referenced the research facilities that were available to Members within the Council Business Unit. Members were advised that if they had any specific queries to email them to Scrutiny@rctcbc.gov.uk.

56 Declaration of Interest

In accordance with the Council's Code of Conduct, there were no declarations made pertaining to the agenda.

57 Minutes

It was **RESOLVED** to approve the minutes of the 2 February 2022 as an accurate reflection of the meeting.

58 Consultation Links

The Senior Democratic & Scrutiny Officer referenced the consultation links, which were available through the 'RCT Scrutiny' website. Members were reminded that information was provided in respect of relevant consultations for consideration by the Committee, which were circulated monthly.

59 Town Centre Regeneration Update

The Service Director – Prosperity and Development took Members through the report on Town Centre Regeneration and Development which provided a summary update on the progress being made to deliver town centre regeneration in Rhondda Cynon Taf (RCT). At paragraph 3.2 it was highlighted that the economy of town centres in RCT had been challenged, over the last two years as a result of the external economic influences of Brexit, the Covid-19 pandemic, storms and flooding and the changing patterns of the retail sector, which had seen national chain retailers leaving high street locations. Because of this, Town Centre Regeneration continued to be a key priority for the Council. At paragraph 4, the Service Director – Prosperity and Development noted that this was a detailed report and then provided Members with examples across town centres of what had been achieved under the various categories including Key Town Centre investments, Town Centre Business Engagement and Support, Financial Assistance for Town Centre businesses, Making Town Centres safer for visitors during the Pandemic and Key Town Centre Investments. At paragraph 4.55 it was highlighted that business engagement and support for town centres, was provided, which included facilitating a business community network. In addition, at paragraph 4.62, it was highlighted that the Regeneration Service offered a range of financial assistance to town centre businesses and paragraphs 4.63 to 4.68 set out some of the support available. Other support for town centres included a free public access wi-fi and a street café furniture permit scheme, which had been introduced in Aberdare and Pontypridd, to regulate safe outdoor trading whilst making town centres safe for visitors, during the pandemic. The Service Director – Prosperity and Development concluded by explaining that the report gave a flavour of some of the work going on across town centres.

Following the update, Members were provided with the opportunity to ask questions.

Councillor J Williams noted her attendance at Cabinet in January 2019, when the Porth regeneration strategy was approved, and had asked as the strategy was developing, if local members could be consulted on what was going on. She felt disappointed that this hadn't happened as she felt local Members had local knowledge of what people wanted. She felt that the One4All Centre needed more publicity for people to know what they could do there. In respect of 38 Hannah Street, she noted £160k had been spent on it but was concerned that it was not clear why the Council was doing up that particular building, when there were other empty sites. She also felt that a lot of the people who use Hannah Street would not have taken part in online consultations, so would have been left out of the loop. In relation to Oldway House, she asked if something could be

done to improve the outside condition / look of the building.

The Service Director – Prosperity and Development apologised to the Member that she hadn't been kept up to date on the developments in Porth. He noted that there was a town centre team, whose role was to engage and update, but he was happy to pick this up and provide more detailed updates on the projects. In terms of the empty properties, he noted that the challenge was that the grants given out were to developers and it was trying to find developers who wanted to come into the towns and invest. He noted that 38 Hannah Street was a good example of a developer who wanted to the space as a co-working space and therefore able to work with the developer to obtain the £138k from Welsh Government (WG). He noted that the Council was currently going through the process of buying the derelict piece of land, next to that building, to look at what could be done, noting it was in a poor state. He noted that enforcement action was also being taken in the town, but it was challenging. In respect of Oldway House, the Service Director – Prosperity and Development, explained that staff were starting to go back into the building, but in terms of what the building looked like outside, this was something he could raise as an issue with Corporate Estates colleagues.

Councillor J Williams asked what could be done in respect of legislation, noting a couple of the properties that were an eye sore.

The Service Director – Prosperity and Development noted that with any funding given to the developer, there was a charge on the property, but it was a long process, so it was challenging but acknowledged the Member wanted to be kept up to date.

Councillor Cullwick thanked the Officer for the report and asked around investment for Penygraig, noting that this was a big ward of 5700 people, which was bigger than Tonypandy.

The Service Director – Prosperity and Development fed back that Welsh Government funding primarily focusses on principal town centres, there being 8 in Rhondda Cynon Taf including Tonypandy, with Penygraig being outside of this and in the next tier. The Service Director added that the Council continues to engage with Welsh Government to explore options to enable the funding to be spread across other areas, including Penygraig.

Councillor Evans fed back that the report was positive, noting there were so many projects and asked in respect of paragraph 4.4.3, the Repair/Reuse shop, whether this was now open.

The Service Director – Finance & Improvement Services confirmed that works are underway and the completion date is estimated to be early in the new financial year.

Councillor Thomas referred to page 24, paragraph 4.54, the Treorchy Sewing Enterprise, and asked if this was an example of a Worker Co-operative?

The Service Director – Prosperity and Development explained that he would obtain further details on this enterprise and feedback to the Member.

Mr Veale, the Parent/Governor Representative acknowledged the important issue of car parking charges and whilst they had been frozen and noting the

benefit of free car parking during the festive period, he requested feedback on what thought had been given to the overall impact on the regeneration of town centres. Councillor J Williams also noted in respect of car parking charges, that many machines did not accept cards and there was a need, where paying, to look at how people could pay.

The Service Director – Prosperity and Development explained that he has not been specifically involved in car parking charge considerations and noted it is an area raised in town centres business/forums. The Service Director indicated that further information would be obtained from the relevant service and fed back to Committee Members.

The Chairman requested for further details to be provided on the sources of funding where it was not indicated in the report. The Service Director indicated that this will be reviewed and where appropriate further information provided.

Following discussion, Members **RESOLVED** to note the update contained within the report.

60 SUPPORT FOR THE MANUFACTURING BUSINESS SECTOR IN RCT

The Service Director - Prosperity and Development took Members through the report on the support for the Manufacturing Business Sector in RCT, which outlined the range of support that had been planned and established in order to provide opportunities for growth and sustainability. The Manufacturing Sector included a broad range of business types involved in the production of a range of items. The latest Office of National Statistics (ONS) figures showed that in 2020 there were 9,000 people employed in manufacturing companies in RCT, which accounted for 11.7% of all employees and was slightly above the Welsh figure of 11.2%. Because of this, a range of co-ordinated support measures were planned and put in place to support manufacturing in RCT.

The Service Director – Prosperity and Development noted that section 4 of the report provided a summary of support measures for the manufacturing business sector and provided specific examples in respect of the former Coedely Colliery Site and Robertstown Business Park. He confirmed that the local authority also provided financial grant support to the Manufacturing Sector and paragraph 4.5.2 provided a good example of the support in place. The Service was also working with Welsh Government to roll out their Tech Valleys Productivity Enhancement Programme. In addition, the Council provided networking and signposting support by putting Companies in touch with the right people which meant it was important for the Council to have good relationships with support organisations such as Business in Focus, Business Wales, Welsh ICE, Welsh Government and the Cardiff Capital Region. This also included signposting to other relevant Council services such as Planning, Licensing and Employment Support. The Service also liaised with and supported Rhondda Cynon Taf Council Procurement colleagues in their work to help local SMEs to access Council and other contract and supply chain opportunities. In terms of Networking, the Treforest Growth Network was established in 2015, as a vehicle for business network opportunities, with companies based at Treforest Industrial Estate.

The Service Director – Prosperity and Development concluded that the

manufacturing business sector continued to be a significant source of employment and income generation in Rhondda Cynon Taf, and provision of a co-ordinated range of support and finance provided by the Council and partner organisations, was important for businesses to take advantage of opportunities to grow, diversify and be more sustainable.

Following the update, Members were provided with the opportunity to ask questions.

Councillor Thomas welcomed the comprehensive report put forward and stated his particular focus was on how the Council would be able to act to incorporate where it would be in 10 years' time, looking at changing to a green economy, for example, wind and solar, which would help to regenerate the economy, with manufacturing being an important part as well as a need to ensure the appropriate skills, premises etc were in place. In addition, there was the High-Tech sector, for example, Microchips and Semi-Conductors and supply chain opportunities. This leads to the supply chain, and previous companies such as GC Hitachi, Hoover and Panasonic, but noted these would not return into the valley areas but in terms of supply chain, there was no reason why the units available were not able to attract businesses to prepare for the future and asked if the Council was just reactive in terms of whoever came forward to apply to go into those businesses, noting the sites such as the Hirwaun Industrial Estate and former Tower Site. In terms of mixing the economy, the Member had long put forward the desire to expand businesses on the model of worker ownership or co-operative and asked what could be done to encourage that sort of model in Rhondda Cynon Taf, referring to his previous question on the Treorchy Sewing Enterprise.

The Service Director – Prosperity and Development agreed that the carbon agenda was significant, noting that one of the key things the Council was looking at, was existing industrial estate stock, although much was in a poor state and would need significant funding to bring up to legislation. Although this was a real challenge, it was something being worked on with Welsh Government. In terms of Robertstown Business Park and what the market was saying there was a significant amount of need for starter units e.g., young businesses doing well but having outgrown their current premises and there was a long list of people who had expressed interest in the Robertstown units, so the demand was there. In terms of bigger sites, the Service Director – Prosperity and Development explained a lot was being done through the Cardiff Capital Region City Deal (CCRCD), including putting a prospectus together to show what RCT had to offer to potential developers, to attract inward investment, as well as direct enquiries to the Council. In terms of supply chain this was extremely important, and a lot of what was done, particularly around the example of Treforest Industrial Estate, was how businesses were linked together locally. The Service Director – Prosperity and Development noted the example of the social housing grant schemes with the housing associations, where the majority were local contractors, so that money was being reinvested back into the Community. In terms of the worker ownership point, the Service Director – Prosperity and Development explained that there hadn't been a huge amount done around ownership models, but he would look into this, going forward, particularly around the Treorchy Sewing Enterprise.

Councillor Thomas thanked the Officer but noted that when he referred to the supply chain aspect, he was not thinking of interlinking companies in close proximity but thinking of the semiconductor plant in Newport and how the

manufactured base product travelled around the world, to be finished. He asked why this couldn't be done in the UK or Wales or in the Valleys, therefore providing that supply chain. He felt there was a big gap here and could be manufactured locally given the rights skills, premises and equipment.

The Service Director – Prosperity and Development agreed with the Member and said that with the pandemic and Brexit, there were a lot of those discussions going on about what could be produced in Wales and how could companies in Rhondda Cynon Taf step up to that challenge. He noted that because of the pandemic and Brexit a number of businesses had diversified e.g., Gwalia, but he recognised there were more businesses that could be supported to take up that opportunity.

The Chair referred to pages 30 and 31 of the report, in relation to paragraph 4.2.1 the former Coedely Colliery Site and paragraph 4.3.1, the Robertstown Business Park and asked if either of those developments would have taken place without European funding money and what scope was there for attracting funding at a similar level for future projects in the County Borough?

The Service Director – Prosperity and Development referred to the former Coedely Colliery Site and explained that as Members would be aware, it was reclaimed over 20 years ago. Welsh Government owned the site and had been marketing plots on the site and the Council was the first to build, through a joint venture with WG where the Council didn't own the plot but had bid for European funding to be proactive and look at how that site could be developed. The idea being, that would be the impetus for further investment going into that site and that was starting to be seen. In terms of future funding for this, he noted the Shared Prosperity Fund, which was coming, although there wasn't a huge amount of detail in terms of what that money could be spent on, although it would be split into capital and revenue funding, but Wales was expecting to have the same as what it had through EU funding. He hoped this would be available in the Summer. He also noted there were other funds available through the CCRCDD that private developers could access, as well.

Following discussion, Members **RESOLVED** to note the update contained within the report.

**61 2022/23 CAPITAL STRATEGY REPORT AND 2022/23 TREASURY
MANAGEMENT STRATEGY REPORT**

62 Quarter 3 Performance Report

The Service Director – Finance & Improvement Services presented Members with the Quarter 3 Performance Report which set out the Council's financial and operational performance position for April to December 2021. This was set in the context of Council services and communities continuing their recovery from the Covid-19 pandemic. The report was presented and approved by Cabinet on the 21st of March 2022. The Service Director then gave an overview of the report by providing Members with key information from the report with regards to, Section 2, Revenue Budget Performance; Section 3, Capital Programme Budget; Section 4, Organisational Health information including staff turnover, sickness absence, Organisational Health related investment areas and Council Strategic Risks; Section 5, the Corporate Plan priority action plan updates including investment updates; and Section 6, a progress update on the

implementation of recommendations agreed by Cabinet on the 18th December 2021 to enhance the Council's response to extreme weather events.

Following the update, Members were provided with the opportunity to ask questions.

Councillor Evans referred to page 97 in relation to turnover and sought clarity around whether the Council had been successful in employing staff to fill vacancies in light of the high turnover rate.

The Service Director – Finance & Improvement Services fed back that the Council's workforce strategy supports services to plan workforce requirements, that includes an on-going commitment and focus on apprentices and graduates, alongside targeted recruitment for specific posts, to address where there are recruitment and retention challenges such as social care. The Service Director went on to indicate that the Council's 2022/23 Budget Strategy provided additional funding to increase the minimum rate of pay to £10 per hour, this being above the Real Living Wage rate, and demonstrating the Council's on-going investment in its workforce and to support service delivery.

Councillor Cullwick referred to the table at the top of page 97 of the report, and to the Chief Executives Division staff numbers of 697 in 2019/20, 827 in 2020/21 and 878 in 2021/22 and asked if there were any reasons behind that growth.

The Service Director – Finance & Improvement Services fed back that the change in numbers reflect service restructuring that have realigned responsibility to the Chief Executive's Division, for example, the consolidation of business and administrative support teams from across the Council and, in parallel, on-going work to secure external funding that enables the creation of posts to deliver specific projects.

Councillor Thomas thanked the Officer and commended the report. He noted the conclusion at paragraph 12.0 in respect of the small projected year-end revenue budget overspend and stated this was a good position to be in, given what had happened over the last 2 years. The Member asked how the local authority would address and mitigate the projected impact in terms of increases in prices in areas such as materials and energy.

The Service Director – Finance & Improvement Services fed back that the Council's Capital Programme, agreed by full Council in March 2022, covers a 3-year period and as projects / contracts are tendered, the cost implications and scope of works would be considered alongside re-profiling of funding opportunities. The Service Director added that the Council will continue its proactive approach around the procurement of goods and services, to support both the sustainability of contractors and value for money for the taxpayer, and this being underpinned by robust planning and monitoring arrangements.

The Service Director – Finance & Improvement Services went on to indicate that the Council's revenue budget had been based on inflationary forecasts at a point in time, for example, for fuel, food and energy, and consideration will be given as part of year-end arrangements to setting aside one-off funding to manage exceptional inflationary risk pressures, recognising the current volatility and uncertain operating environment. The Service Director added that inflationary forecasts will be kept under on-going review and updates incorporated into the

Council's next Medium Term Financial Plan that will form the starting point for the 2023/24 budget setting process.

Councillor J Williams noted a pilot scheme being run by Hywel Dda University Health Board in relation to training health care workers and social care workers jointly. She asked whether the Council had looked at this type of joint training for social care and health care staff. Councillor J Williams also enquired when information would be available in relation to the green waste scheme and its impact.

The Service Director – Finance & Improvement Services explained that Health and Social Care staff currently work in partnership on many areas as part of the on-going development of integrated services and indicated that further clarity would be sought from the relevant service area on the specific point raised.

The Service Director – Finance & Improvement Services went on to provide feedback in respect of the green waste scheme, indicating that the scheme started in autumn 2021 and intelligence is being gathered to gauge impact alongside education and awareness raising for residents. The Service Director added that a further update will be included as part of the year-end Performance Report.

Councillor Yeo noted the issue of retaining social care staff, acknowledging that the minimum rate had been raised to £10 per hour. The Councillor felt going forward this was something that the Council should continue to do, stressing the importance of this as a result of rising inflation in areas such as fuel and food.

The Chair referred to pages 97, 125 and 134 and noted that sickness levels in schools seemed to be high and asked if this was a result of the relaxation in the Covid-19 rules.

The Service Director – Finance & Improvement Services fed back that Covid-19 absences have been excluded from the information reported, albeit, it is likely that there has been a knock-on impact on other absences as a result of the pandemic. The Service Director added that the most prevalent reasons for absence are musculoskeletal and mental health, and the Council has a range of support available to help staff and aid return to the workplace.

The Chair referred to page 120 of the report noting the projected revenue budget underspends for Highways Management and Street Cleansing, and sought clarity whether there had been any impact on service delivery as a result of temporary staffing vacancies.

The Service Director – Finance & Improvement Services fed back that frontline service levels for Highways Management and Street Cleansing are being delivered in line with agreed standards, and where temporary staffing vacancies arise, operational resources are prioritised to meet service requirements. The Service Director added that these services engage regularly with elected Members and also take account of feedback received via the Council's Corporate Feedback Scheme.

The Chair also sought clarity in respect of the projected revenue budget underspend for Strategic Projects, and whether this would be retained for the forthcoming financial year along with any funding for projects that would not be completed in 2021/22 and would need to be carried forward into 2022/23. The

Service Director fed back that the projected revenue budget underspend for Strategic Projects is feeding into the Council's overall projected revenue budget position for 2021/22 and that detailed work has been undertaken with the service area to match service requirements and resources for the forthcoming year.

Following discussion, Members **RESOLVED** to endorse the Council's financial and operational performance position as at 31st December 2021 (Quarter 3).

63 Chair's Review and Close

The Chair noted that this was the last Finance and Performance Scrutiny Committee meeting for the current municipal year and thanked all Members of the Committee for their contributions. He noted that several Councillors were not standing for re-election including Cllr Cullwick, Cllr George and Cllr Thomas, thanking them and wishing them well for the future. He also thanked those officers and translators who had contributed to meetings throughout the year. Cllrs Thomas, Yeo and J Williams thanked the Chair and those Members who were not standing for re-election.

64 Urgent Business

None

This meeting closed at 6.44 pm

**CLLR M. POWELL
CHAIR.**