

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

26 NOVEMBER 2013

Present: Councillor Howells (Chairperson);
Councillors Bale, Hunt, Knight, Lloyd, Marshall, Murphy,
Robson and Walker.

37 : MINUTES

The minutes of the meetings held on 15 October 2013 were approved by the Committee as a correct record and were signed by the Chairperson.

38 : DECLARATIONS OF INTEREST

The Chairperson reminded Members of their responsibility under Part III of the Members' Code of Conduct, to notify any interests in general terms and complete personal interest forms at the start of the meeting and then prior to commencement of discussion of the item in question, specify whether it is a personal or prejudicial interest. If the interest is prejudicial, Members would be asked to leave the meeting and if the interest is personal, Members would be invited to stay, speak and vote.

39 : REVISED REDEPLOYMENT POLICY

The Chairperson welcomed Councillor Ralph Cook, Deputy Leader, Christine Salter, Interim Head of Paid Service, Philip Lenz, Corporate Chief Officer Human Resources and Lynne David, Centre of Expertise Manager.

The Chairperson stated that this item would give the Committee the chance to consider proposals to change the Council's staff redeployment policy before it goes to Cabinet for decision on 9 December 2013. The Cabinet agreed that these proposals should be developed as part of the 2014/15 Budget Strategy update.

The Chairperson invited Councillor Ralph Cook to make a statement in which he stated that the report would possibly be considered at Cabinet on 9 December 2013, however this was not certain as discussions were ongoing with Trade Unions. He stated that no decisions had been made on the policy as yet. He added that people are very aware of the current financial situation and that there are likely to be hundreds of staff leaving

the Authority from next year and that unfortunately there would most likely be redundancies.

The Chairperson thanked Councillor Cook for his statement and invited Philip Lenz to outline his presentation to the Committee.

Philip Lenz provided the Committee with a presentation on the Review of Redeployment Policy & Procedure, outlining the Context to the review, the current aspects to the policy which will continue; the key areas that could be considered, a summary of current policy versus various options and practical considerations of any change in policy.

The Chairperson thanked Philip Lenz for his presentation and invited comments and observations from Members of the Committee.

- Members asked for more information on the current capacity within the redeployment team. Officers advised that currently there were 2 temporary members of staff dealing with redeployment matters, with the increase in cases likely capacity would be stretched.
- Members enquired whether the 4 years continuous service with Cardiff Council was a strict 4 years. Officers stated that it was.
- Members sought more information on the case work undertaken by redeployment staff. It was explained that as well as trying to match people to jobs, the redeployment staff also supported them and linked with Trade Union learning representatives to offer additional help and support.
- Members sought further information on the boundaries of the scheme, including the potential implications if the Council moved towards alternative delivery methods and setting up other organisations. Officers stated that further information would be provided to Members.
- Members asked whether there was any merit in opening up links with additional partner organisations to fill in skills gaps. Officers stated that any options were possible, but the focus at the moment was opening up the links with the organisations reference in the presentation, such as the University Health Board. It was noted that there were issues such as pensions to consider.

- When discussing temporary staff, Members enquired about the length of term of temporary staff. Officers explained that there was work underway on reducing the number of temporary contracts and agency staff. Officers stated that they would obtain the numbers and feed back to Members.
- With reference to matching people to alternative jobs, Members asked what Officers considered to be 'reasonable alternatives'. Officers explained they would be matched in relation to: current job terms, skills, pay, hours and location. In relation to skills, Officers added that when considering job matching, the length of time it would take to bring a person up to a skill standard for that job would have to be considered; if it would take too long then it wouldn't be considered a suitable match.
- Members asked whether there were a limited number of refusals of positions that a person could make. Officers explained that it used to be 3 refusals however now there is no limited number, the Council is obliged however to make an offer.
- Members were pleased to see the links being forged with the Welsh Government and the University Health Board, and enquired whether consideration had been given to links with Universities and the private sector. Officers explained that these links were not being considered at the moment however every avenue should be explored in the future. It was noted that the Council does also signpost people to other jobs but could be more proactive in doing this.
- Members asked whether there could be any guarantees of job security for the people who are successfully redeployed. Officers stated that they couldn't give a definitive answer to this and that people were even considering temporary positions and secondment opportunities.
- In relation to skill retention and corporate memory, Members enquired whether departments are keeping an audit on what skills they need to retain. Officers explained that it is something Directors are very aware of and should be considered as part of the business case when determining whether a person can be approved for voluntary severance. Officers further explained that previously they would have successfully redeployed all the cases but now as the demand increased and the supply decreased it was more

difficult. The Council does however help with transition to careers outside of the Council too.

- Members asked for a breakdown of the 61 staff in the retention pool currently. Officers explained that some are on work trials, 11 are going onto redeployment, some are coming to an end and are not yet redeployed. A breakdown of these will be provided to Members.
- Members were interested to hear about people's perceptions of going into the redeployment pool and whether there were any trends in relation to particular skills gaps. Officers explained that no one wished to be in the redeployment pool so it was a difficult time for them, the team work with them and provide pastoral care, a positive outlook and refer to the Trade Union learning representative for extra support. This may become more difficult as the capacity of the team is stretched further. In relation to identified skills gaps, officers explained that there was a trend towards people wanting to be placed in C2C but they didn't have the IT skills. Members and officers had a discussion about taking training times into account when considering job matching.

The Chairperson thanked the Deputy Leader and his Officers for attending the Committee meeting.

AGREED - That the Chairperson, on behalf of the Committee, write to Councillor Ralph Cook, Deputy Leader, highlighting the following issues:

- Members noted comments that discussions with Trade Union representatives and others were ongoing, and that the report may not be presented to Cabinet on 9th December 2013, as originally envisaged. The Committee welcomed the opportunity to consider the potential changes at an early stage. Members of the Committee acknowledged that given the challenging financial situation which the Council is facing, and the likelihood that compulsory redundancies would be unavoidable in the future, there was a need to address the terms of the Policy.
- During the meeting, Members were clear that if the redeployment period was reduced from 6 months to 12 weeks, as seemed likely, then opportunities for training must be available. Members noted that there was likely to be an external focus on signposting towards

ADAPT and ReAct II support, and welcomed this activity, as well as the work with partners such as the University Health Board to investigate external redeployment opportunities. Members recommended that this was widened to include other bodies such as Universities and the private sector. The Committee also strongly recommended that the Policy should ensure that originating directorate managers and Human Resources proactively identify training opportunities for members of staff under threat of, or already facing, redeployment. The Committee also recommended that time spent on training courses should be discounted from the redeployment period if possible.

- Given the high number of employees currently in the redeployment pool (61 as compared to 25 twelve months ago), the Committee shared the concern that levels of resourcing in the current Redeployment team and Panel may be insufficient to handle future demand. In order to ensure that sufficient pastoral support could be given to those staff facing redeployment, Members hoped that this would be addressed within the approaching budget round or through appropriate allocation of tasks within Human Resources.
- Members questioned the implications of the Council's move towards alternative delivery mechanisms for services, and how these would relate to the implementation of the policy in the future. The Committee asked that these issues be explored and further information provided if possible.
- Members were concerned that with increasing numbers of officers entering redeployment and potentially leaving the organisation, this could have a significant impact on the Council's corporate memory. The Committee recommended that more consideration should be given to appropriate workforce planning across the Council, identifying skill sets which the Council was likely to need in future to ensure that it does not lose valuable skills or knowledge. Directorate business planning may be an appropriate vehicle.
- The Committee requested a number of pieces of further information during the meeting, in order to have a clearer understanding of the ramifications of these potential changes, set out below:

- The number of temporary staff, and their percentage as a total of the establishment, with 4 years continuous local government service;
- The number of temporary staff, and their percentage as a total of the establishment, with 4 year years continuous service with Cardiff Council;
- The number of staff currently at each stage of the redeployment process, and the same figures for 12 months ago;
- The number of officers who have refused offers of reasonable employment;
- Confirmation of Trade Union comments about the potential changes.

40 : BUDGET 2014/15 – DIRECTORATE BRIEFINGS

The Chairperson reminded Members that all Committees were receiving briefings from each area of the Council falling under their remits, to set the context for the scrutiny of the detailed Budget Proposals early next year.

The Chairperson also reminded Members that the briefings were aimed at giving the Committee a general understanding of the directorates, their budgets and the challenges and opportunities they were facing in developing savings proposals. The scrutiny would not cover specific savings proposals as these are still under development.

COUNTY CLERK AND MONITORING OFFICER (DEMOCRATIC SERVICES) DIRECTORATE BRIEFING

The Chairperson welcomed Councillor Ralph Cook, Deputy Leader, Christine Salter, Interim Head of Paid Service, and Marie Rosenthal, County Clerk & Monitoring Officer to the meeting.

The Chairperson invited Marie Rosenthal to make a statement in which she stated that there were 33 members of staff in Democratic Services and 34 members of staff in Communications and Media. She outlined the statutory functions carried out by the 6 Committee staff which was deemed to be a key area, working efficiently. She outlined that Members services now also included the Protocol Office, the team of 6 Electoral Services staff again carried out statutory duties and there was a Scrutiny team of 12 Officers. Marie Rosenthal explained that she has only been in post for just over 3 months and is currently working on service planning, the Members IT project and Members Debate as immediate priorities.

She considered that the current financial situation provided a real opportunity to focus on governance and supporting the Council through major changes, including new ways of working, more innovation and the looking at the scope for more public engagement, the opportunity for improved Member support and less paper through increased technology use and a refresh of the Member Development Strategy.

She added that these were very challenging times with significant savings to be made; in this directorate the majority of expenditure was on staffing. She found enthusiasm from staff in developing new ways of working including bidding for third party funding for instance for scrutiny research and partnership working across authorities in regulatory services. She also saw an opportunity for third party interest in the Communications and Media area. She finished by emphasising that staff in the directorate were engaged in important work, efficiently with no waste and she would not want to prejudice this.

The Chairperson thanked Marie Rosenthal for her statement and invited comments and observations from Members of the Committee.

- In relation to Communications and Media, Members asked how many projects were involved in the £346k quoted in the reports, and asked how much experience Marie Rosenthal had in this arena. It was explained that there were 248 separate projects currently in the department. Councillor Cook considered that more focus was needed and that the department should be leading the news agenda and be more proactive. Marie Rosenthal explained that she had been working in local Government for 34 years and has been involved in Communications & Media throughout, working with a variety of communications methodologies.
- With reference to Electoral services Members enquired whether 6 staff was sufficient to provide this service. Officers explained that it was an adequate resource, the Head of Electoral Services had left due to Job Evaluation, and the position now being the lowest paid in Wales, was proving difficult to fill. It was further explained that officers were currently in the process of redefining the role and once filled the quota of staff would be fine.
- Members noted that the budget pack had no links to the Corporate Plan and no comparators, whereby some other budget packs had this information, so there was a lack of consistency. Officers explained that some directorates lend themselves more to the extra

analysis. The budget pack was produced corporately, but if the service area hadn't provided the metrics they weren't included in the budget pack. It was stressed that it was the first year of the information being produced for Scrutiny in this way and it would continuously improve.

- Members noted that there was a huge amount of savings needed and asked whether there was scope for sharing local authority services. Officers explained that Electoral Services would be the obvious one to consider, and would be looked at more when the Head of Electoral Services position was filled. There was a possibility with Communications & Media, but Democratic Services may prove to be more difficult as Members like continuity. There was scope with Scrutiny services, with collaborative scrutiny projects being considered at the moment, with officers exploring trading to generate income.
- Members were interested to see the split between Members Services and members Expenses and asked what proportions of expenses were claimed. Officers did not have the information to hand and would provide further information to Members.
- A Member noted that the Chair of the Democratic Services Committee had been critical of the amount of Officers that attend some meetings and asked whether the relationship between the County Clerk and the Chair of Democratic Services Committee was strained. The County Clerk stated that it was not, in fact it was the reverse, she found that there was lots of support and there was a very collaborative way of working going forward with lots of projects ongoing.
- Members noted that a significant percentage of the budget could be seen as being spent on the Members and asked what percentage of the budget it actually was. Officers were aware of the PR implications of things such as biscuits in meetings and diaries, but explained that some of the Member spend was statutory but the rest discretionary. No figures were available at the meeting.
- Members asked when the County Clerk's conclusion on the savings would be known. It was explained that they would be available in February.

- Members enquired about the successful financial pressures bid in the 2013/14 budget for Scrutiny Services. Officers explained this hadn't been spent and that vacant posts had not been filled.

AGREED - That the Chairperson, on behalf of the Committee, write to Councillor Ralph Cook, Deputy Leader, highlighting the following issues:

- In terms of the County Clerk and Monitoring Officer's Directorate, the Committee noted that the County Clerk had been asked to develop savings proposal totalling 38% of her budget and that in particular income opportunities were being explored for Scrutiny Services. Members also queried at the meeting whether the additional budget given to Scrutiny Services in last year's budget round was likely to form a savings proposal this year. Members emphasised that the Cabinet Member for Finance and Economic Development stated last year that this budget would not be 'chipped away' in future years.
- Members also noted that the Communications review was currently being commissioned. The Committee would like to engage in this process, so would be grateful to be kept informed as it progresses.
- The Committee also requested a breakdown of the Members' expenses expenditure section, to identify expenses vs. allowances, and the Member training budget, and would appreciate it if this could be provided in time to aid the budget scrutiny.

RESOURCES DIRECTORATE BRIEFING

The Chairperson welcomed Councillor Russell Goodway, Cabinet Member, Finance & Economic Development and Christine Salter, Interim Head of Paid Service to the meeting.

The Chairperson invited Councillor Goodway to make a statement in which he stated during very challenging times politicians often made savings in this directorate as they saw no direct impact on front line services. He added that this was not actually the case and that it was important to invest in managers and look at specialisms during these times as this would have a positive effect in supporting front line services. He stressed it is a time of profound change and that service area accountants are needed to ensure that service area targets are met and offer support and advice to the service areas in making these decisions.

The Resources Directorate needed to make its share of savings but not pushed to the extent where it would be unable to provide these services.

Christine Salter then provided Members with an outline of how the directorate would attempt to make the required savings, including;

- The main transactional activities concentrating on debt recovery, self service in Council Tax for instance, stating that there is a high volume due to the transient nature of the City's population, also meaning high volume of adjusted bills which were costly to produce.
- The need to work more efficiently and have a smarter focus on business mechanisms, including charging for example for IT services to other areas, including grant aided schemes.
- Working with others such as the Vale on Health & Safety, Cardiff Works, Occupational Health, Fire Service.
- Increasing the usage of the fleet depot in Brindley Road, with talks ongoing with trading standards to have the taxis use the depot for their MOTs, as well as the Fire & Police services using the depot for their non blue light vehicles.

The Chairperson thanked Councillor Goodway and Christine Salter for their statements and invited comments and observations from Members of the Committee.

- Members noted the cost per Council Tax Bill was significantly higher than the Wales average, and if this could be reduced it would enable some savings to be made. Officers explained that the cost per bill was high and this was partly due to high contact centre and accommodation charges.
- Members noted that Officers were looking to increase the amount of invoices issued to be paid within 10 days. Members emphasised that this also needed to be the case for the Council paying its suppliers. Officers explained this it was needed to increase the Council's cashflow.
- Members were concerned that the levels of sickness absence were still too high. Officers stated that this quarter was showing an improvement on last year's figures.
- Members enquired whether the Council was getting the optimum out of Commissioning and Procurement. Officers noted that this

issue had been discussed previously at Committee, and that the Council was currently in the midst of a saving plan, with £20 million aimed to be saved over 4 years; the 4 year period was coming to an end and the savings were slightly behind target. The Welsh Government launch of the National Procurement Service should enable more savings to be made and Officers were looking at common and repetitive spend pan values, with the Cabinet also signed up to this.

- Regarding Benchmarking, Officers stated that it was a significant issue, KPMG had been brought in by the Welsh Government to undertake an exercise across Wales, with a report due to be completed in the new year, Officers considered that Cardiff would come out very well in the report.
- Members enquired whether costs could be recovered from schools for services such as ICT or accountancy support. Officers explained that currently costs for accountancy services were recovered, this service had to be provided as it was a statutory responsibility of the S151 Officer to sign off schools accounts.
- In reference to re-trading services, Members asked what services were being considered. The Cabinet Member explained a few services could be considered such as Legal, IT and HR, however issues such as procurement/bids and tenders needed to be considered.
- Members noted that it was unlikely that the Resources and Environment directorates would meet their savings targets in the current year and asked what actions would be taken to ensure that this would not happen again. Officers stated that there was a new Director in post, who would be introducing a new systematic and robust approach to testing savings as they come through from the service areas, so they needed to be realistic savings proposals.
- Members enquired whether the Head of Cabinet Office post was going to be filled. The Cabinet Member stated that the funding for this post was still there, but a discussion with the new Chief Executive would have to take place to determine whether it would stay or go. Officers noted that some decisions on other posts such as the Corporate Director Operations, had been taken before the new Chief Executive was in post.

- In reference to Schools Budgets, Members noted that they were very complex and Officers explained that they had asked for a standard format for schools budgets for next year.
- Members enquired whether the ICT refresh and Enterprise Architecture were separate to systems such as SAP. Officers explained that the ICT refresh was in the Capital programme and that 2 years ago IT had been identified as being a Red Risk on the Corporate Risk register. £400k over 3 years was put in to improve the situation, currently the Council was part way through spending this to eliminate that risk. ICT and Enterprise Architecture were separate, with the former dealing with running and maintaining the systems, and the latter more involved in designing systems and business processes. In reference to the slippage in the ICT Refresh, Officers explained it was due to difficulties with the capacity and priorities within the team.

CORPORATE MANAGEMENT BRIEFING

The Chairperson welcomed Councillor Russell Goodway, Cabinet Member, Finance & Economic Development and Christine Salter, Interim Head of Paid Service to the meeting.

The Chairperson invited Christine Salter to make a statement in which she stated that this area was one which encompassed the Corporate elements that did not fit into any other directorate. Lots of the expenditure here tended to be fixed so there was no great element of savings. Flexibility did exist however in the Corporate Initiatives with pump priming projects. It was noted that lots of decisions would already have been taken on initiatives that fall here, such as the Cardiff Half Marathon. It was also noted that currently the Corporate Managers' salaries sit here but only as a staging point and they would be recharged to the appropriate directorates. With reference to the past service contributions, i.e. pensions for employees linked to the City Council, it was noted that these were now coming to an end.

The Chairperson thanked Christine Salter for her statement and invited comments and observations from Members of the Committee.

- When discussing Corporate Initiatives, Members noted that last year there was a proposal to cut £730k, however the figures in the report had increased. The Cabinet Member stated that it had been topped up from Corporate Initiatives Reserves. Members

requested further information on this as they were concerned that a cut had been rejected then the budget had been topped up. Officer explained that it was a timing issue, and that usually at the end of the financial year the budget isn't spent so is put in reserves, however more information would be provided to Members.

- Members asked for further explanation of the Central Business District Costs and Catering Subsidies. Officers explained that the CBD budget had been created 2 years ago, £500k had been put in revenue over 3 years to use for Capital Financing Charges. A combination of base revenue and ear marked reserves for when projects come along. In reference to Staff Catering Subsidy, each was accounted for separately, there was a partial subsidy, some was held in Education and some in Corporate Initiatives, however there were proposals to do away with these.
- Members requested a breakdown of subscriptions to Local Authority Associations.

ECONOMIC DEVELOPMENT DIRECTORATE BRIEFING

The Chairperson welcomed Councillor Russell Goodway, Cabinet Member, Finance & Economic Development, Christine Salter, Interim Head of Paid Service, Neil Hanratty, Director, Economic Development, and Steven Watkins, Principal Valuer, to the meeting.

The Chairperson invited Neil Hanratty to make a statement in which he stated that the directorate had 100 staff, it covered its costs with the income it generated, it had links to 7 of the Corporate Plan objectives and 25 of the Corporate Plan milestones, and was involved in 8 Major Projects.

The Chairperson thanked Neil Hanratty for his statement and invited comments and observations from Members of the Committee.

- When discussing the surplus as a result of the non-operational review, Members asked whether this surplus had always been used to off-set the cost of Economic Development. Officers explained that Strategic Estates used to be part of Corporate Services.
- Members asked whether officers had considered buying out of the contract for the International Pool. Officers explained that they

had not, there were 5 years left of the contract and it would cost approximately £5 million upfront to buy out of the contract.

- In reference to the Dr Who experience, Members asked whether the shortfall was due to poor visitor numbers. It was explained that significant sponsorship had been anticipated but had not materialised, the visitor numbers were ok.
- Members requested more information on comparator cities. It was noted that a new property strategy was likely to be brought to Cabinet in January, and a further detailed report in March, which would include figures to compare.
- Members enquired whether the money from selling off estates would be used for paying off debt. The Cabinet Member stated that it would be a combination of paying off debts and using for delivering projects, explaining that there have been some difficulties realising savings in some Invest to Save schemes and he was very conscious that there was a major projects that needed to be delivered i.e. the Bus Station.
- Members were interested to hear how the 50% savings regarding operational costs would be achieved. It was explained that the Directorate had a balanced budget at the moment, the International pool would be transferred to the Sports Leisure & Culture Directorate. When asked if the directorate could be as effective on 50% of the current budget, Officers stated that it would generate more income.
- Members were concerned that the income generated by the Council's estates had been transferred from the Resources Directorate, and that this Directorate's budget was being cut by 50% after that transfer. It was noted that Directorate's intention was to generate more income.
- Members requested further information on workshops. It was noted that there were 147 units across approximately 9 estates, the occupancy was good at 85 to 90%, with a review being undertaken those not performing as well, there was a potential to dispose of, and the opportunity to invest in new ones to increase income. When asked about the governance for transactions in property, it was explained that disposals had to go to the Asset Management Board which was made up of Directors from across the Council,

and the level of approval required would depend on the value of the disposal. Every transaction would need to demonstrate value for money to the Audit Office.

- Members discussed the numbers of staff in Economic Development, and the ratio that were Capital Funded.

AGREED - That the Chairperson, on behalf of the Committee, write to Councillor Russell Goodway, Cabinet Member, Finance & Economic Development highlighting the following issues:

Resources Directorate

- Members noted that many sources of savings were being considered, including shared services, collaboration and income generation through CardiffWorks, and the Fleet service and the Occupational Health Service.
- Members requested to receive a copy of the KPMG report mentioned regarding Welsh procurement, as it could be useful background information for an item scheduled for a forthcoming meeting.

Corporate Management

- Members queried during the meeting whether recruitment to the vacant Head of Cabinet Office post would recommence. Members noted the comment that this would be subject to discussion with the new Chief Executive, but that the decision had already been taken to delete the Corporate Director Operations post. Members queried why different approaches had been taken.
- Members requested a breakdown of expenditure against the Corporate Initiatives budget to date this year, and confirmation that this had been topped up via reserves in the current year. Members were concerned that this kind of action should be as transparent as possible.
- Members also requested a breakdown of the Precepts, Levies and Contributions section of this budget.

Economic Development Directorate

- Members noted that the major drivers for savings in this directorate were income generation and the reduction in consultancy spend, although there were also likely to be losses of posts.

- Members commented during the meeting that the transfer of the Council's Property Budget to the Economic Development Directorate would seem to be subsidising this budget, despite its high (50%) savings target.
- The Committee recommended that further thought should be given to achieving sponsorship income in this Directorate, and were concerned that it was predicted that the income of a major attraction such as the Doctor Who Experience would fall short of the value of the loan to build the venue.
- The Committee were glad to hear that an asset management paving report would go to Cabinet in January with a more detailed report in March. Members hoped that the Cabinet Member would engage with the Committee at the appropriate point and asked that officers work with Scrutiny Services to arrange this.

41 : BUDGET STRATEGY 2014/15 – UPDATE REPORT

The Chairperson reminded Members that the Cabinet considered an update to the Budget Strategy for 2014/15 at its meeting on 7 November 2013.

The Chairperson welcomed Councillor Russell Goodway, Cabinet Member, Finance & Economic Development, Christine Salter, Interim Head of Paid Service and Marcia Sinfield, Interim Section 151 Officer to the meeting.

The Chairperson invited Councillor Goodway to make a statement in which he stated that the report was fairly self explanatory, he added that he was nervous about the pace of decision making that was required in order to make the savings.

Marcia Sinfield circulated a document including questions and answers in reference to Budget Strategy. She outlined the areas addressed in the circulated document and then provided an update to some of the figures within the cover report.

The Chairperson thanked Councillor Goodway and Marcia Sinfield for their statements and invited comments and observations from Members of the Committee.

- Members noted that the Welsh Local Government Minister had been quoted saying that Welsh Local Authorities had been cushioned. Members asked why the Council hadn't been aware of the financial situation it was currently in. The Cabinet Member agreed that the Welsh Authorities had previously been treated better than English counterparts, however the Welsh Authorities hadn't expected the protection in Health having to be supported by Local Government. It was emphasised that the first indication of this change in policy was in June/July when the Minister said Local Authorities could not rely on their indicative figures and English Style cuts were referred to.
- Members asked how closely colleagues were working with English Authorities to learn from their experiences. It was explained that all Cabinet Members are working with their corresponding counterparts in other Authorities.
- Members discussed the fact that Welsh Government were not allowing redundancy costs to be Capitalised. The Cabinet Member has written to Welsh Government asking them to reconsider this decision.
- Members discussed the future sustainability of the protection of Schools budgets, and also the increase in the Pupil deprivation grant.
- Members discussed the proposed 5% increase in Council Tax, the Council Tax Reduction Scheme, and the possibility of ear marking any increase in income from Council Tax for redundancy.

AGREED - That the Chairperson, on behalf of the Committee, write to Councillor Russell Goodway, Cabinet Member, Finance & Economic Development, highlighting the following issues:

- Members were concerned that the Council should aim to learn from England's experience, where local government has been hit by budget reductions much faster than we have in Wales. Members noted comment that work is being carried out to learn from how English Councils have coped with falling budgets and would like to receive further details if possible.
- With regards to comments that the Council may have to consider raising Council Tax next year, the Committee would support any

moves to establish with the Minister the definitive Welsh Government approach to any cap on Council Tax rises. The Committee also queried whether any rise in Council Tax would result in a decrease in the level of savings required from directorates and noted that it could not be confirmed that this was the case at this point.

42 : WLGA PEER REVIEW CABINET RESPONSE

The Chairperson reminded Members that the Committee wished to consider the Action Plan developed to respond to the findings of the WLGA Peer Review. This item gave the Committee the chance to consider the Cabinet's high level response. A more detailed Delivery Plan is under development to be approved by the Cabinet at a later date.

The Chairperson informed Members that unfortunately the Leader had had to give her apologies for the meeting and a statement from the Leader was circulated to the Committee Members.

AGREED – That the item be deferred to the 7 January 2014 Committee meeting.

43 : CORRESPONDENCE

The Committee received copies of correspondence sent and received in relation to matters previously scrutinised by this Committee.

AGREED – That the correspondence report and attached documentation be noted.

44 : DATE OF NEXT MEETING

It was noted that the date of the next Committee meeting would be on Tuesday 7th January 2014, 4.00pm in Committee Room 4, County Hall, Cardiff.