

Monmouthshire Scrutiny

Performance and Overview Scrutiny Committee ~ Feedback to Cabinet of Meeting held on 7th October 2024

Report Item 3: Financial Monitoring Update

Key points raised by the Committee Members:

Significant discussion took place, with the following questions and key points raised by the Committee for consideration by the Cabinet Member:

- It was asked whether the Council's reliance on grants is typical, when compared with other local authorities, and if the committee could be provided with the number of staff who are grant-funded (Action).
- Concern was raised about the impact of budget cuts and vacancies on existing staff, particularly in health and social care. Members questioned whether additional pressure on staff arising from increased workloads is being monitored and whether the Council is adequately supporting staff.
- Members asked how we are ensuring that, as vacancies arise, the right people are in the right place, and how we ensure that processes are lean and efficient.
- The level to which school staff are engaged with and supported with their deficit budgets was explored, and members asked if the results of staff surveys will be shared with council colleagues such that the Committee could be informed in future. It was further asked what messages of support are being given to Headteachers about the future trajectory of school spending.
- The Chair noted from the Chief Officer response that Covid remained a significant issue in our schools and among teacher and wider staff absence.
- Members asked about the staff impact of the £1.5m reduction in health and social care, with what impact on service delivery, and how this is managed.
- Clarity was sought as to whether the £2m shortfall in the budget savings target is in addition to the £4m overspend in core services from the end of last year. It was noted that the £2m was part of the £4m.
- It was asked if core services continue to overspend at the end of this financial year as is forecast, whether that will add to the £35m shortfall that was forecast in July, and how a forecast overspend will be dealt with as the clear direction in this and earlier reports is that the Council must not use reserves, and the Council cannot borrow to pay for any revenue shortfall. It was confirmed that if that situation arises, the Council would have to use reserves, **though the focus was on the current in year shortfall being managed away through targeted budget recovery action.**
- Regarding innovation, clarity was sought as to the extent to which those delivering the services are having an input into where savings can be made.

Monmouthshire Scrutiny

- Members asked for clarity about the impact of vacancies, with 3 vacancies in the Decarbonisation team given as an example.
- On the matter of Council Tax, members asked for more detail about the evidence that premiums are starting to bring properties back into use (Action).
- The Chair noted the impressive reduction of £820k in energy costs.
- It was asked how realistic the expectation is of reversing the current overspend trend in social care.
- Members asked if enough resource is being invested to build resilience and prevent families breaking down, and whether this is an area affected by grants.
- Clarity was sought about savings in relation to the Home to School Transport policy.
- It was asked if we are making best use of our staff with consultations, and whether an in-house team could do more of the ground work before a specialist team is used.
- Members asked about how the overspend in passenger transport is being addressed and why there has been a decrease in income for the solar farm.
- An answer was sought for the question asked by many residents as to why the authority appears to have financial problems when Council Tax is running between 3-4 times the rate of inflation.

Report Item 4: Medium Term Financial Plan Update

The Committee undertook thorough scrutiny of the report, highlighting the following important issues for the Cabinet Member's consideration:

- Members asked if it is correct to say that Monmouthshire is better able to raise money through taxation.
- Regarding consultants and experts, it was asked if we are looking at value stream mapping our processes to reduce inefficiencies.
- Using the profiles of 'typical' Monmouthshire residents was queried, and it was asked how intersectionality and non-typical residents would be covered.
- Clarity was sought about the Future Generations Evaluation.
- A member asked for an explanation as to how impact assessment mitigations are reviewed and the officer agreed that there is further work to do to more explicitly report on how mitigations and impacts are being monitored.
- Further detail was sought about the modelling for Council Tax, and it was suggested that with less than 6 months until the start of the next financial year, we should remember that this is the financial plan, not 'modelling assumptions'.

Monmouthshire Scrutiny

- Members asked how many second homes have been reduced since the Second Homes policy was implemented, and whether the intention is to get rid of them entirely.
- It was asked whether any assessment has been carried out on the impact of a 5% Council tax increase on low-income households, and when the Council should contemplate a review of the size of the school estate as a necessary option for service redesign in Education.
- Regarding data, members asked how confident we can be that the right matrices have been identified and that the right data to make decisions has been captured.
- Clarity was sought about the fundamental need for 'radical change to the Council's operating model' as this was described in the July financial update.

Report Item 6: Investment and Commercial Portfolio Performance Update

The Committee scrutinised the report. The discussion included the following points raised by the Members:

- Members asked if the forecast for Newport Leisure Park is realistic, and if other contingencies should be considered.
- It was asked if it is accurate that Monmouthshire residents are subsidising a private company, and if risks and contingencies should not be considered now, rather than later.
- Members asked what can be done to attract film production companies to Monmouthshire and for further elaboration on the proof of concept for MonSpace at Innovation House.
- It was asked how new tenants are encouraged, and how much rent the Council receives from Raglan Livestock Market.
- Members asked if there any pieces of estate currently being considered for alternative uses or disposal.

The Chair thanked the officers and Cabinet Member for the three reports and their responses to the committee's questions and said that the committee wished to recognise and give its thanks for all of the hard work done by staff across the organisation in delivering services against a challenging financial picture.