

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Joint Select Committee held
at County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 31st January, 2017 at 2.00 pm**

PRESENT: County Councillors: D. Blakebrough, R. Chapman, P. Clarke, D. Dovey, A. Easson, R. Edwards, P. Farley, R. Harris, B. Hayward, S. Howarth, P. Jones, S. Jones, P. Jordan, M. Powell, J. Prosser, V. Smith, B. Strong and A. Wintle

County Councillor: G. Burrows, E.J. Hackett Pain, P. Hobson, P. Fox, R. Greenland, P. Murphy

M Fowler (Parent Governor Representative), D Hill

OFFICERS IN ATTENDANCE:

Hazel Ilett	Scrutiny Manager
Peter Davies	Chief Officer, Resources
Roger Hoggins	Head of Operations
Mark Howcroft	Assistant Head of Finance
Paul Matthews	Chief Executive
Will McLean	Head of Democracy, Engagement and Improvement
Robert Tranter	Head of Legal Services & Monitoring Officer
Nicola Perry	Senior Democracy Officer
Mark Hand	Head of Planning, Housing and Place-Shaping
Claire Marchant	Chief Officer Social Care, Health & Housing

APOLOGIES:

Councillors D. Edwards, D. Evans, M. Hickman, P. Watts, A. Webb and S. White

1. Election of Chair

We elected County Councillor P. Farley as Chair.

2. Appointment of Vice-Chair

We appointed County Councillor S. Jones as Vice-Chair.

3. Declarations of Interest

Members agreed declarations would be declared under the appropriate item.

4. Draft Budget Proposals 2017/18

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Joint Select Committee held
at County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 31st January, 2017 at 2.00 pm**

CONTEXT:

We welcomed Cabinet Members who were in attendance to provide detailed draft proposals on the budget savings required to meet the gap between available resources and need to spend in 2017/18, for consultation purposes.

Members were required to consider the 2017/18 budget within the context of the 4 year Medium Term Financial Plan (MTFP) and the emergence of priorities to guide forward activities through Future Monmouthshire.

MEMBER SCRUTINY:

Following an overview presented by the Leader and Cabinet Member for finance, Members were invited to comment.

We were advised that the reports received today were the same as presented to recent individual Select meetings. It was questioned if there were any amendments to be made following comments at the Select meetings. We were advised that the draft proposals had gone out with a budget gap, and it had been made clear that additional work would be going on to close that gap, with a request that any alternative proposals be provided by today. The Cabinet Member added there would be amendments at the Cabinet meeting to ensure a balanced budget. It would be made clear what the amendments are in the final report.

A Member questioned the robustness of the budget, and questioned the confidence of Cabinet Members that the budget was deliverable. In response the Cabinet Member for Finance explained that with regard to pressures, the draft budget was the best guess based on the best information available at the time. When officers built up mandates for the last budget they tried hard to ensure they were realistic and deliverable. For various reasons some had turned out not to be and these had been accepted as a pressure this year and added back. He added that the outturn reports provided to scrutiny throughout the year have demonstrated this.

The Cabinet Member addressed a question relating the debt figure of £96m. He explained that there are many projects taking place, and debt would be drawn down when it was thought prudent to do so. There is a possibility we would take more debt with regard to 21st Century Schools, dependent upon capital receipts. Much of the debt was taken on a short term basis. Cabinet Members were comfortable with the level of debt. The better settlement from Welsh Government was pleasing to note, but it was thought that the formula still did not recognise the needs of rurality

Further clarity was requested with regards to the mandates for specific projects that had not been met, suggesting confidence was not enough. The sum total of the mandates not met, and transferred to this budget, was requested. The Assistant Head of Finance explained that Appendix 1 of the report referred to pressures of circa £685,000 relating to earlier mandates not being achieved.

The highest level of borrowing based on capital decisions is £130m, and was therefore currently borrowing less than we would normally need to, as a result of setting aside money, MRP calculation.

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Joint Select Committee held
at County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 31st January, 2017 at 2.00 pm**

The Assistant Head of Finance reminded Members that one of the important rules that Cabinet set itself was that for anything new to appear in the Capital Programme it either needs to pay for itself or it displaces something of higher priority to the Council.

The Leader addressed a question regarding how serious should we be in taking the assumptions for full Council decision. The Leader responded that the assumptions were a strong building block. We need to take into consideration the opinion of public and community. Council will always reserve its right to make judgement on Council Tax nearer the time.

Reassurance was sought that there had been an adequate consultation process, and the Member questioned how we would effectively communicate the decisions made at full Council. In response we heard that in terms of consultation the budget had been released in the usual way and also via social media channels. Meetings have been held where requested. Feedback had shown that we had reached more people electronically than previously. The Cabinet Member was satisfied that anyone who wanted to be engaged had received an opportunity.

A Member questioned the rationale behind the lower figures for income generation, which would be addressed through the Alternative Delivery Model. The Cabinet Member for Social Care and Health referred to statutory demands which curtail our ability to charge.

A Member referred to appendix 3b and asked what effect the removal of funding on voluntary childcare organisations would have. The Cabinet Member for Education reassured Members that this was carried out on a needs basis. A sufficiency order, on a 3 year basis, looks at need within the County, for all aspects of general childcare. The Action Plan sets out what we do to look at the needs of our children and childcare. Therefore the funding was re-directed to where it was most needed.

Members raised concerns regarding the schools deficit, and increase in charges for waste disposal. Cabinet Members expressed that schools were supported as best as possible. The Leader had confidence in schools to meet the challenge and the restraints were recognised.

A Member expressed that people paying for the services actually being used rather than across the board was a fairer method.

The Head of Operations explained that a £30,000 charge back is due to an exemption to schools and voluntary organisations being withdrawn. This brings the charges in line with those for other organisations. Schools would have the opportunity to choose provider of the service. If the waste is not collected we do not carry costs. The increase in garden bags is in line with statutory charges.

A Member referred to the commitment of funding Monmouth Pool. It was noted that the build would take eighteen months, and we were roughly on schedule. In terms of costs it was untrue that Monmouth School were funding any of the costs. We had now agreed to modernise the whole of the leisure centre in Monmouth also, which would help with the costs of delivering the pool.

It was explained that school sixth form budget comes from Welsh Government and is dependent on numbers. We recognised the importance to maintain a sixth form within schools in such a rural area.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Joint Select Committee held at County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 31st January, 2017 at 2.00 pm

A Member referred to fees and charges, and expressed that businesses would suffer. It was questioned if we could look at charges for waste to be looked at before the budget is set. The Head of Operations explained that the figures referred to were not an increase but figures for a range of sizes

RECOMMENDATIONS:

We resolved to agree the recommendations:

- That Select committee scrutinises the draft budget savings proposals for 2017/18 released for consultation purposes.
- That Select committee notes that the consultation period and opportunity to present alternative proposals that have been Equality Impact assessed ends on 31st January 2017.
- That Select committee notes that work is continuing on the areas required to balance the 2017/18 budget and Medium Term Financial Plan (MTFP), through those opportunities identified in the emerging Future Monmouthshire programme.

Committee's Conclusion:

The Chair provided an overall conclusion following Item 6 of the agenda.

5. Capital Budget Proposals 2017/18 to 2020/21

CONTEXT:

The Cabinet Member for Finance presented the Capital Budget Proposals to outline the proposed capital budget for 2017/18 and the indicative capital budgets for the three years 2018/19 to 2020/21.

MEMBER SCRUTINY:

County Councillor A. Easson declared a personal, non-prejudicial interest under the Members' Code of Conduct as a family member uses the services of Severn View Facility.

A Member requested an update regarding the Severn View Care Facility renewal. The Cabinet Member advised that it was early days and the most important thing is that quality of care already received by individuals at the facility would not be compromised.

On the basis of the information supplied regarding capital receipts, a Member asked if Cabinet Members felt the projects could be taken forward with the small amount of money. The Leader agreed that there would be pressures on capital and was confident in the capital programme to be realised.

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Joint Select Committee held at County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 31st January, 2017 at 2.00 pm

The Cabinet Member for Community Development referred to Highways, and generally the strategic roads were in good state and a lot of improvements had been made. It was noted that infrastructure costs may need Welsh Government assistance.

RECOMMENDATIONS:

Members agreed the recommendations in the report:

- That Select Committee scrutinizes the draft capital budget proposals for 2017/18 to 2020/21 released for consultation purposes as set out below and referred to in Appendix 2
- That Select Committee notes the following recommendations approved by Cabinet:
- That Cabinet confirms a capital strategy, which seeks to prioritise the Council's Future Schools programme and other commitments whilst also continuing to finance a minimum core capital programme, recognizing the risks associated with this approach.
- That Cabinet reviews the priorities in the Capital programme in the light of the issues raised in 3.7 and other demands for capital resources
- That Cabinet reaffirms the principle that new schemes can only be added to the programme if the business case demonstrates that they are self-financing or the scheme is deemed a higher priority than current schemes in the programme and therefore displaces it.
- That Cabinet agrees to maximize the use of capital receipts when received to fund the capital programme (therefore reducing the need to borrow) and/or set aside to repay debt as outlined in paragraph 3.10.
- That Cabinet agrees to the sale of the assets in accordance with the Asset Management Plan and identified in the exempt background paper in order to support the capital programme, and that once agreed, no further options are considered for these assets.

Committee's Conclusion:

Members were happy with the process in general, with thorough debate having taken place at the individual selects. Members had hoped that some of the amendments may have been made following the round of selects in order to be discussed today and there were concerns from some Members that some of the proposals lack the detail necessary for them to form a view. However, there is acknowledgement that the meeting presented an opportunity for the proposals to be aired and scrutinised, as opposed to be agreed, which is a matter for full Council. The meeting has presented Members with the ability to discuss and challenge priorities across the range of services and Members are therefore satisfied that they have scrutinised the budget in so far as they can at this time. Members would encourage further reflection on this year's process to inform that of the successor Council.

The meeting ended at 4.40 pm

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Joint Select Committee held
at County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 31st January, 2017 at 2.00 pm**