

THE VALE OF GLAMORGAN COUNCIL

CORPORATE PERFORMANCE AND RESOURCES SCRUTINY COMMITTEE:
22ND DECEMBER, 2021

REFERENCE FROM HEALTHY LIVING AND SOCIAL CARE SCRUTINY
COMMITTEE: 7TH DECEMBER, 2021

“ INITIAL REVENUE BUDGET PROPOSALS 2022/23 (DSS) –

The Operational Manager for Accountancy advised that the Council was required under statute to fix the level of Council Tax for 2022/23 by 11th March, 2022 and in order to do so, would have to agree a balanced revenue budget by that date.

The Council's provisional settlement had not yet been announced by Welsh Government and was expected this year on 21st December, 2021 with the final settlement due to be published on 1st March, 2022. Even though this crucial information had not yet been received, the budget setting and consultation process had to commence in order to meet statutory deadlines.

The Officer drew Members' attention to the table of shortfalls in funding, at paragraph 2.8 of the report, that were substantially higher than had been identified in previous years. They advised that due to the considerable uncertainty and the financial pressures on government, the financial plan had been based on three different scenarios with regards to funding from Welsh Government for the coming three financial years – a cash neutral settlement, a 1% reduction each year for the period of the Plan and a 1% increase each year. The Officer added that it could be the case that grant funding was provided going forward targeting specific service areas or initiatives. As the Council had seen positive settlements in the past year that in part reflected the increasing population of the County, a fourth scenario had been included that considered a scenario where the settlement for 2022/23 was at the same level as the 2021/22 settlement (4.42%).

Appendix 1 to the report set out the cost pressures within the remit of the Committee to the total of £10.5m. For context, the Officer added that the total amount of cost pressures across the whole of the Council was £22.5m.

With the Committee's permission, Councillor John then addressed the Committee from the point of view of personal experience to stress the importance of ensuring financial support for domiciliary care and carer recruitment going forward. Councillor J.W. Thomas respectfully acknowledged Councillor John's comments however, noted that the list of cost pressures before Committee was a list of 'needs' rather than 'wants' and therefore it was an impossible task to choose between. Therefore, the Council needed to support every cost pressure to the best of its ability, and he moved that a recommendation as such be passed to the Corporate Performance and Resources Scrutiny Committee as per the Officer's recommendation in the covering report. This was subsequently seconded by Councillor Charles.

Councillor Gray then provided his reassurances on his continued efforts to stress the need for central funding to help focus financial support on social care with Welsh Government and acknowledged that care struggles for families across the Vale of Glamorgan were not just solely impacted by the availability of funding. The Cabinet had no desire to hold on to reserves however, it also recognised that the use of reserves was not the long-term solution.

In conclusion, the Leader of the Council stated that the difficult financial position was a reality check for the Council and that there was no way for the Council to fund vital services going forward without a future increase in Council Tax rates. In recent years, Revenue for social care had dropped by 15% but the demand on social care services had increased.

With no further comment or questions, the Scrutiny Committee subsequently

RECOMMENDED –

- (1) T H A T the Initial Revenue Budget Proposals for 2022/23 be noted.
- (2) T H A T a recommendation be passed to the Corporate Performance and Resources Scrutiny Committee that all Cost Pressures, as set out in Appendix 1 to the report, be financially supported.

Reasons for recommendations

- (1) Having regard to the contents of the report.
- (2) In order that, as the lead Scrutiny Committee, the Corporate Performance and Resources Committee is aware of the Committee's view that all cost pressure bids, as set out in the report, are of equal and vital importance and therefore must be supported to the best of the Council's ability going forward."