



Dinas a Sir Abertawe

Hysbysiad o Gyfarfod

Fe'ch gwahoddir i gyfarfod

Panel Perfformiad Craffu - Gwella Gwasanaethau a Chyllid

Lleoliad: O bell drwy Microsoft Teams

Dyddiad: Dydd Mawrth, 15 Chwefror 2022

Amser: 9.30 am

Cynullydd: Y Cynghorydd Chris Holley OBE

Aelodaeth:

Cynghorwyr: P M Black, P Downing, P R Hood-Williams, L James, M H Jones, P K Jones, J W Jones, I E Mann, B J Rowlands a/ac D W W Thomas

Agenda

Rhif y Dudalen.

- 1 Ymddiheuriadau am absenoldeb**
- 2 Datgeliadau o fuddiannau personol a rhagfarnol**
www.abertawe.gov.uk/DatgeluCysylltiadau
- 3 Gwahardd pleidleisiau Chwip a Datgan Chwipiau'r Pleidiau**
- 4 Cofnodion y Cyfarfod(ydd) Blaenorol** **1 - 4**
Derbyn nodiadau'r cyfarfod(ydd) blaenorol a chytuno eu bod yn gofnod cywir.
- 5 Cwestiynau gan y Cyhoedd**
Rhaid cyflwyno cwestiynau'n ysgrifenedig, cyn hanner dydd ar y diwrnod gwaith cyn y cyfarfod fan bellaf. Rhaid i gwestiynau ymwneud ag eitemau ar yr agenda. Ymdrinnir â chwestiynau o fewn cyfnod 10 munud.
- 6 Craffu cyn Penderfynu ar Adroddiadau'r Cabinet: Y Gyllideb Flynyddol**
Gwahodd i fynychu:
Rob Stewart - Aelod y Cabinet dros yr Economi, Cyllid a Strategaeth (yr Arweinydd)
Ben Smith – Swyddog Adran 151 a'r Cyfarwyddwr Cyllid

Dolen i [Bapurau'r Cabinet](#) ar gyfer 17 Chwefror 2022 sy'n cynnwys papurau'r gyllideb

- 7 Abertawe Gynaliadwy (Y diweddaraf ar lafar)**
Gwahodd i fynychu:
Rob Stewart - Aelod y Cabinet dros yr Economi, Cyllid a Strategaeth
(yr Arweinydd)
Ben Smith – Swyddog Adran 151 a'r Prif Swyddog Cyllid
- 8 Cynllun Gwaith** **5 - 7**
- 9 Adolygiad Blynyddol** **8 - 15**
Adolygiad o eitemau o fewn Cynllun Gwaith 2020-21
- 10 Llythyr** **16 - 17**
- 11 Gwahardd y Cyhoedd** **18 - 21**
- 12 Strategaeth y Gronfa Buddsoddi mewn Eiddo**
Gwahoddwyd:
David Hopkins – Aelod y Cabinet dros Gyflawni a Gweithrediadau
Geoff Bacon - Pennaeth y Gwasanaethau Eiddo
Tom Rees - Rheolwr Buddsoddi Mewn Eiddo
Alex O'Brien - Rheolwr Eiddo

Huw Evans

Huw Evans
Pennaeth Gwasanaethau Democrataidd
Dydd Mawrth, 8 Chwefror 2022

Cyswllt: Swyddog Craffu - 01792 637732

Agenda Item 4



City and County of Swansea

Minutes of the **Scrutiny Performance Panel – Service Improvement & Finance**

Remotely via MS Teams

Tuesday, 18 January 2022 at 9.30 am

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

P M Black
L James
J W Jones

Councillor(s)

P Downing
M H Jones
D W W Thomas

Councillor(s)

P R Hood-Williams
P K Jones

Other Attendees

Cllr Rob Stewart
Ben Smith
Richard Rowlands
Emily Davies

Cabinet Member - Economy, Finance & Strategy (Leader)
Section 151 Officer & Chief Finance Officer
Strategic Delivery & Performance Manager
Scrutiny Officer

Apologies for Absence

Councillor(s): I E Mann and B J Rowlands

55 Disclosure of Personal and Prejudicial Interests

Ben Smith disclosed a personal interest in Item 6.

56 Prohibition of Whipped Votes and Declaration of Party Whips

In accordance with the Local Government (Wales) Measure 2011, no declarations of Whipped Votes or Party Whips were declared.

57 Minutes of Previous Meeting(s)

The Panel considered letters and minutes from previous meetings and agreed the minutes of the meeting on 15 December 2021 as an accurate record of the meeting.

58 Public Questions

There were no public questions

59 Budget Proposals 2022/23 - 2025/26

The Leader and the Chief Finance Officer attended the meeting to present the report and answer questions. It was noted that:

- The Welsh Government budget and settlement announcements are late again this year.

- This is not yet a fully formed budget, further developments and policy announcements are likely to come all the way through to March 2022.
- S1.6 - The three-year outline envelope from the Welsh Government, whilst only a broad indication, is nevertheless very welcome and helpful for medium term budget planning purposes.
- The Panel queried table 1, note 7, regarding the removal / future use of Capital Equalisation Reserve (CER). Officers explained this format sets out a balanced position between years.
- S3.6 - Following the welcome uplift in funding received from the Welsh Government (£33.9m), it is envisaged that all directorates as a whole (excluding Finance) will receive an overall increase in cash budgets for next year of at least 7%.
- S4.3 - even with savings, Directorate budgets will still grow overall by about £80m over 4 years.
- S4.4 - Assumption that future funding from Welsh Government increases by 3.5% in 2023/24, 2.4% in 2024/25 and 2% thereafter.
- Highest inflation rates in over a decade, with inflation likely to go higher still. Uncertainty surrounding Brexit and continued pandemic.
- S4.11 – Capital block grant allocation: £2M shortfall illustrated in Table 4.
- S4.18 - appropriate use of the Capital Equalisation Reserve will be recommended for use in determining the final shape of the overall budget.
- S5 - noted substantial cash increase in school delegated budgets.
- Table 5 – Review of Planned Savings 2022/23 – Members noted this should read as thousands rather than millions.
- Table 6 indicates modest Workforce savings proposals.
- Panel Members raised queries over potential Council tax increases. Officers explained that the Council Tax yield is currently 1-2%, that no decisions yet taken, merely a function of sum needed to balance first cut of budget.
- Assumed Council Tax spending up 3.5% on average (Welsh Government CTSS figure)
- S7 – Consultation process
- Table 9 – modest proposals in terms of staffing savings. One post (Chief Officer) is still at formal risk of redundancy as a result of Council decision taken in November 2021.
- Certainty of future years settlements useful.
- Significant underspend achieved in last 2 years and likely again this year.
- The Leader highlighted positive outturn at end of 2021.
- Members queried the position of the Fire Authority in relation to the Estimated Fire Authority Levy increase of 3 - 3.5%.
- S6.2 – Panel Members queried pay and grading reviews, and costs of staff reduction. Officers explained that there is a backlog of grading appeals, yet to come through, but compared to the Budget are very modest in scale. It was noted that hardly any posts are at risk of redundancy as a result of budget.
- The Leader explained that the UK Government/Treasury has included Covid monies in the Welsh Government settlement.

- Panel Members queried the Capital Equalisation Reserve (referring to S4.17 and S4.18). Officers explained that the CER is being used to bridge some pressures and smooth some timing differences over several years.
- Panel Members queried likely calculations relating to note 18 (*following the introduction of the new Social Care Levy, currently reflected as an increase to National Insurance rates*). Officers explained it will be a few years before figures can be certain both as to sums raised by HM Treasury by the new tax and sums received and spent ultimately by Councils.

60 Q2 Performance Monitoring Report 2021/22

The Strategic Delivery & Performance Manager presented an overview of the report to Panel Members. It was noted that:

- The ongoing Covid-19 pandemic has brought huge challenges and changes to the Council, its services and workforce. The Council has never undertaken such change in such a short timescale and in such challenging circumstances.
- Performance is judged using the results measured by Corporate Plan performance indicators and is usually compared to agreed targets. Targets for 2021/22 have not been set due to the ongoing impact from COVID-19 and the associated lockdowns.
- The Q2 2021/22 outturn shows that 15 out of 26 (58%) comparable Corporate Plan performance indicators showed improvement or stayed the same compared to Q2 2020/21.
- Officers highlighted that the new social services performance framework had contributed to new indicators, and as such no comparable data to report. Baselines are therefore not available until next year.
- The report reflected the national shortage in workforce capacity in social services, particularly in childcare work and adult domiciliary care.
- In relation to the Safeguarding indicators, although there has been an increase in the number of children supported, there has been a reduction in the number of Child Protection Cases and Looked After Children.
- The Panel commented on the challenges faced, in particular, by the Social Services department, implementing the new WCCIS (Welsh Community Care Information System).
- Officers highlighted performance data relating to planning applications, explaining that this year has seen a significant increase in the number of planning applications received which, combined with staff vacancies, has meant an inevitable but relatively small drop in performance compared to Q2 last year.
- The Panel acknowledged that full performance data is not yet available due to continued impact of the pandemic, and would revisit this report in more detail next year.

61 Work Programme

The Panel noted the Work Plan.

62 Letters

The meeting ended at 10.35 am

Agenda Item 8

Service Improvement and Finance – Scrutiny Performance Panel

Work Plan 2021/22

Meeting 1 11 th June 2.00	<ol style="list-style-type: none">1. Confirmation of Convener2. Overview: <i>Understanding Financial Reporting</i>3. Revenue Outturn, HRA Outturn and Capital Outturn and Financing 20-21 <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy4. Draft Work Plan 2021/22 Panel to discuss/agree work plan topics for the coming year.
Meeting 2 23 rd June 2021 10.00	<ol style="list-style-type: none">1. Welsh Language Standards Annual Report <i>Invited to attend:</i> Sarah Lackenby - Chief Transformation Officer Cllr Louise Gibbard – Cabinet Member for Supporting Communities Cllr Robert Smith – Cabinet Member for Education Improvement, Learning & Skills2. Overview: Byelaws <i>Invited to attend:</i> Craig Davies – Associate Lawyer
Meeting 3 Monday 20 th September 2.00	<ol style="list-style-type: none">1. Q1 Budget Monitoring Report – 2021/22 <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy2. Peer Review & Self-Assessment (Local Government and Elections (Wales) Act 2021) <i>Invited to attend:</i> Adam Hill - Deputy Chief Executive / Director of Resources Richard Rowlands – Strategic Delivery and Performance Manager Cllr Andrew Stevens – Cabinet Member for Business Improvement & Performance
Meeting 4 Tuesday 19 th October 2021 9.30	<ol style="list-style-type: none">1. Q1 2021/22 Performance Monitoring Report <i>Invited to attend:</i> Richard Rowlands – Strategic Delivery & Performance Manager Cllr Andrew Stevens – Cabinet Member for Business, Improvement and Performance2. Overview from Ben Smith: <i>Understanding Financial Reporting (Reserves)</i>3. Review of Revenue Reserves <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy

<p>Meeting 5 Tuesday 16th November 2021 9.30</p>	<p>1. Mid-term Budget Statement (Verbal) <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy</p> <p>2. Planning Annual Performance Report <i>Invited to attend:</i> Cllr Andrew Stevens – Cabinet Member for Business, Improvement and Performance Cllr David Hopkins – Cabinet Member for Delivery and Operations Phil Holmes – Head of Planning and City Regeneration Ian Davies - Development Conservation and Design Manager Tom Evans – Placemaking and Strategic Planning Manager</p> <p>3. Swansea Airport (restricted) <i>Invited to attend:</i> Cllr David Hopkins – Cabinet Member for Delivery and Operations Martin Nicholls – Director of Place Geoff Bacon – Head of Property Services Alex O'Brien – Property Manager</p>
<p>Meeting 6 Wednesday 15th December 2.00</p>	<p>1. Recycling and Landfill - Annual Performance Monitoring <i>Invited to attend:</i> Cllr Mark Thomas – Cabinet Member for Environment and Infrastructure Chris Howell – Head of Waste Management and Parks Matthew Perkins – Group Leader, Waste</p> <p>2. Potholes & Carriageways (Verbal update) <i>Invited to attend:</i> Cllr Mark Thomas – Cabinet Member for Environment and Infrastructure</p> <p>3. Q2 Budget Monitoring 2021/22 <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy</p>
<p>Meeting 7 Tuesday 18th January 2022 9.30</p>	<p>1. Budget Proposals 2022/23 – 2025/26 <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy</p> <p>2. Q2 2021/22 Performance Monitoring Report <i>Invited to attend:</i> Richard Rowlands – Strategic Delivery & Performance Manager Cllr Andrew Stevens – Cabinet Member for Business, Improvement and Performance</p>
<p>Meeting 8</p>	<p>1. Annual Budget: Pre-Decision Scrutiny <i>Invited to attend:</i></p>

<p>Tuesday 15th February 2022 9.30</p>	<p>Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy</p> <p>2. Sustainable Swansea (verbal update) <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy</p>
<p>Meeting 9 Tuesday 22 March 2022 9.30</p>	<p><i>Cancelled</i></p>

TBC:

1. **Annual Review of Well-being Objectives and Corporate Plan** (*The five year corporate plan was rolled over into 2021/22 as a result of the pandemic with only essential and unavoidable changes made; so no fundamental annual review made to the corporate plan during 2020/21 as a result of Covid*).
2. **Welsh Housing Quality Standards Annual Update** - David Meyrick / Mark Wade TBC for July 2022
3. **Progress update on the Local Government Use of Data Action Plan** (delayed due to pandemic impacts and diversion of resources)
4. **Annual Complaints Report 2020-21**
5. **Sustainable Swansea** (Transformational delivery aspects)
6. **Welsh Public Library Standards Annual Performance Report** (delayed due to pandemic impacts, due from Welsh Government from April 4th 2022).

Agenda Item 9



Report of the Convener

Service Improvement and Finance Scrutiny Performance Panel

Annual Review of Work 2021-22

Purpose:	As the municipal year ends, it is good practice to reflect on the Panel's work, experience, and effectiveness.
Content:	A summary of the year's activities and achievements is provided.
Councillors are being asked to:	<ul style="list-style-type: none">• Reflect on the year's work; and• Share ideas to improve the effectiveness of Service Improvement and Finance scrutiny
Lead Councillor:	Councillor Chris Holley Chair / Convener of the Service Improvement and Finance Scrutiny Performance Panel.
Lead Officer & Report Author:	Emily Davies, Scrutiny Officer E-mail: emily-jayne.davies@swansea.gov.uk

1. Background

- 1.1 As this is the final meeting of this municipal year, the Panel is invited to reflect on the year's scrutiny work, experience and effectiveness. Any ideas that will improve the effectiveness of the scrutiny of Service Improvement and Finance are welcome.
- 1.2 To aid panel members, a summary of the year's work is attached.
- 1.3 Some of the questions the Panel may want to consider:
 - What went well?
 - What did not go so well?
 - Has the Panel's work focused on the right things?
 - What have we learnt that will help us with future scrutiny?

2. Overview

- 2.1 The Service Improvement and Finance Performance Panel monitors the Council's budget and performance measures. It also completes pre-decision scrutiny on a number of Commissioning Reviews where required.

2.2 The Panel has a core membership of 11 councillors.

3. Remit of the Panel

3.1 To ensure that the Council's budget, corporate and service improvement arrangements are effective and efficient.

3.2 In practical terms this means:

- Consider quarterly and annual corporate finance reports
- Consider proposals for the Council's annual revenue and capital budgets including savings proposals
- Look at medium and long-term planning arrangements
- Look at whether financial and policy objectives are aligned
- Consider quarterly and annual performance reports and whether any issues need to be looked at further
- Consider the Council's overall improvement processes
- Look at the fitness of the Council to discharge the general duty to improve
- Look at the processes that the Council has gone through in the selection of its improvement objectives, including engagement with stakeholders
- Look at how the delivery of improvement objectives are monitored
- Provide challenge and new ideas

4. Supporting Data

- Number of Panel meetings = 8
- Number of Convener letters = 12

5. Future Work Programme

5.1 Next year's plan will include most of the same performance and finance items it has received in the previous year and include a number of annual reports.

Appended:

A. Completed Work Plan 2021-2022

B. Panel Update for Scrutiny Programme Committee February 2022

Service Improvement and Finance – Scrutiny Performance Panel

Work Plan 2021/22

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<p>Meeting 4 Tuesday 19th October 2021 9.30</p>	<ol style="list-style-type: none"> 1. Q1 2021/22 Performance Monitoring Report <i>Invited to attend:</i> Richard Rowlands – Strategic Delivery & Performance Manager Cllr Andrew Stevens – Cabinet Member for Business, Improvement and Performance 2. Overview from Ben Smith: <i>Understanding Financial Reporting (Reserves)</i> 3. Review of Revenue Reserves <i>Invited to attend:</i> Ben Smith – Chief Finance Officer / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and

	Strategy
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Meeting 8 Tuesday 15 th	<ol style="list-style-type: none"> 1. Annual Budget: Pre-Decision Scrutiny <i>Invited to attend:</i>

<p>February 2022 9.30</p>	<p>Ben Smith – Director of Finance / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy</p> <p>2. Sustainable Swansea (verbal update) <i>Invited to attend:</i> Ben Smith – Director of Finance / S.151 Officer Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy</p> <p>3. Property Investment Fund Strategy (Closed Session) <i>Invited to attend:</i> Cllr David Hopkins – Cabinet Member for Delivery & Operations Geoff Bacon – Head of Property Services Tom Rees – Property Investment Manager Alex O'Brien – Property Manager</p>
<p>Meeting 9 Tuesday 22 March 2022 9.30</p>	<p><i>Cancelled</i></p>

TBC:

1. **Annual Review of Well-being Objectives and Corporate Plan**
2. **Welsh Housing Quality Standards Annual Update - TBC for July 2022**
3. **Progress update on the Local Government Use of Data Action Plan** (delayed due to pandemic impacts and diversion of resources)
4. **Annual Complaints Report 2020-21**
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6. **Welsh Public Library Standards Annual Performance Report** (delayed due to pandemic impacts, due from Welsh Government from April 4th 2022).

Service Improvement & Finance Scrutiny Performance Panel Update to SPC

1. Remit of the Panel

The overarching purpose of the Panel is to ensure that the Council's budget, corporate and service improvement arrangements are effective and efficient. The Panel meets on a monthly basis.

2. Key Activities

Meetings have included a range of issues such as budget monitoring and annual performance reports as outlined in the table below.

Since the last update, in August 2021, meetings have resulted in a number of convener's letters to Cabinet Members. The issues covered were as follows:

Meeting	Topic(s)
20 th September 2021	<ol style="list-style-type: none"> 1. Q1 Budget Monitoring Report – 2021/22 2. Peer Review & Self-Assessment (Local Government and Elections (Wales) Act 2021)
19 th October 2021	<ol style="list-style-type: none"> 1. Q1 2021/22 Performance Monitoring Report 2. Overview from Ben Smith: Understanding Financial Reporting (Reserves) 3. Review of Revenue Reserves
16 th November 2021	<ol style="list-style-type: none"> 1. Mid-term Budget Statement 2. Planning Annual Performance Report 3. Swansea Airport
15 th December 2021	<ol style="list-style-type: none"> 1. Recycling and Landfill - Annual Performance Monitoring 2. Potholes & Carriageways 3. Q2 Budget Monitoring 2021/22
18 th January 2022	<ol style="list-style-type: none"> 1. Q2 2021/22 Performance Monitoring Report 2. Budget Proposals 2022/23 – 2025/26

3. Achievements / Impact

Financial Monitoring

The Panel heard that within the Recovery Plan Service Transformation Programme, work continues to develop service delivery plans linked to savings targets and prioritisation of services.

Members queried ongoing issues with Council Tax collection, referring to the £2M shortfall reported. Members questioned whether Welsh Government will meet this shortfall. Officers acknowledged this was an on-going issue, given the strain on people's finances and confirmed that Welsh Government continues to monitor this issue.

The Panel requested a statement regarding the energy price increases, and the effect on Swansea Council. Officers undertook to provide a briefing note, which has now been received with thanks.

Performance Monitoring

The Panel asked questions in order to explore this work, and provide challenge on performance in relation to the relevant indicators.

The Panel heard that, overall, 81% of indicators have improved or stayed the same. We understood that the Council's response to the pandemic, whilst not necessarily reflected in the established performance indicators, has been extraordinary.

Members queried some indicators and why they have improved in such adverse circumstances, asking how indicators are selected. Officers explained that the indicators help to measure priorities within the corporate plan, and are selected specifically for that purpose.

Members raised their concerns over the general use of the term 'tackling poverty' as a descriptor, suggesting this term be reviewed in the near future. Members also queried how poverty is measured by Swansea Council and the standard definition used.

Peer Review & Self-Assessment (Local Government and Elections (Wales) Act 2021)

The Panel received an overview of the guidance in Part 6 Performance and Governance provisions of the Local Government & Elections (Wales) Act 2021. Officers explained that the essence of Part 6 is to see local Councils as 'self-improving organisations through a system based on self-assessment and panel performance assessment'.

Members commented on the nature of the process, challenging the role of Scrutiny in this, and Councillors in general. Officers explained that the Panel will be assessing the Council as a whole, via the panel performance assessment. Officers also explained that scrutiny will have a clear and important role to play in this process.

Planning Department Performance

Members queried why the Welsh Government had not required Annual Performance Reports to be submitted this year. Officers explained that workloads last year were too onerous across Local Authorities, and, additionally, a number

of issues have arisen this year in terms of introduction of temporary legislation for businesses to deal with pandemic adaptations.

Members queried whether the Council had filled vacancies within the planning department. The Panel heard that the department is fully staffed as of November 2021, however, some officers are employed on temporary contracts. Members noted the issue of staff recruitment / retention across the Council, commenting that the use of temporary contracts may not retain staff long-term.

The Panel held a detailed scrutiny discussion focused on the Planning Department, in addition to the Planning Annual Performance Report. Members felt that the investigation was very informative and helpful, suggesting that this should arise each year concurrently with the Annual Performance Report.

Swansea Airport

The Panel undertook pre-decision Scrutiny regarding the Update Management Report on Swansea Airport. Due to commercial sensitivities and the likely disclosure of exempt information (under Schedule 12A of the Local Government Act 1972, paragraphs 14 and 16), the report was heard in private session. Further reports will be available in due course.

Recycling and Landfill - Annual Performance Monitoring

It was reported to the Panel that the recycling target of 64% was achieved last year, despite the challenges of the Pandemic. Members noted this as an incredible effort by crews and praised the efforts by all staff involved.

The Panel heard that Swansea Council will move away from landfill operations, towards an Energy from Waste (EfW) facility. We understand that more details on this will follow in the New Year, pending finalisation of contracts. Panel Members queried the EfW scheme and whether there would be savings in landfill costs. Officers explained that EfW is a more costly process, however, by closing the landfill site the operational costs are reduced, thereby being more cost efficient going forward.

4. Future Work Programme

The Panel also have some new items for monitoring in the remainder of this municipal year, including but not limited to:

Meeting	Topic(s)
15 th February 2022	1. Sustainable Swansea 2. Budget: Pre-Decision Scrutiny

Agenda Item 10



To:
Councillor Rob Stewart
Cabinet Member for Economy,
Finance & Strategy

Please ask for:
Gofynnwch am:

Overview & Scrutiny

Direct Line:
Llinell Uniongyrochol:

01792 636292

e-Mail
e-Bost:

scrutiny@swansea.gov.uk

BY EMAIL

Date
Dyddiad:

7 February 2022

Summary: This is a letter from the Service Improvement and Finance Scrutiny Performance Panel to the Cabinet Member for Economy, Finance and Strategy. The letter concerns the meeting held on 18th January 2022 and the Budget Proposals 2022/23 – 2025/26

Dear Councillor Stewart,

On the 18th January, the Service Improvement and Finance Scrutiny Performance Panel met to discuss the Budget Proposals 2022/23 – 2025/26. The Panel are grateful to yourself and Ben Smith, Chief Finance Officer / S.151 Officer, for attending to discuss the proposals and answer questions. Our observations focused on the following areas:

It was reported to the Panel that the Welsh Government budget and settlement announcements are late again this year, and that this is not yet a fully formed budget. We understood that further developments and policy announcements are likely to come, through to March 2022.

Officers explained to us that the three-year outline envelope from the Welsh Government, whilst only a broad indication, has been very welcome and helpful for medium term budget planning purposes.

The Panel queried Table 1 in the report, note 7, regarding the removal / future use of the Capital Equalisation Reserve (CER). Officers explained that this necessary format sets out a balanced position between years.

We heard that, following the welcome uplift in funding received from the Welsh Government (£33.9m), it is envisaged that all directorates as a whole (excluding Finance) will receive an overall increase in cash budgets for next year of at least 7%, and that directorate budgets will grow overall by about £80m over 4 years.

OVERVIEW & SCRUTINY / TROSOLWG A CHRAFFU

SWANSEA COUNCIL / CYNGOR ABERTAWE

GUILDHALL, SWANSEA, SA1 4PE / NEUADD Y DDINAS, ABERTAWE, SA1 4PE

www.swansea.gov.uk / www.abertawe.gov.uk

I dderbyn yr wybodaeth hon mewn fformat arall neu yn Gymraeg, cysylltwch â'r person uchod
To receive this information in alternative format, or in Welsh please contact the above

Officers highlighted to the Panel that the Council expects to see the highest inflation rates in over a decade, with inflation likely to go higher still. We noted also the remaining uncertainty surrounding Brexit and the continued Covid-19 pandemic.

Officers also explained to us that the appropriate use of the Capital Equalisation Reserve will be recommended for use in determining the final shape of the overall budget.

Panel Members raised queries over potential Council Tax increases, relating to the assumed Council Tax spending up 3.5% on average (Welsh Government CTSS figure). Officers explained that the Council Tax yield is currently 1% - 2%, and that no firm decisions have yet been taken; we understood that this is merely a function of sum needed to balance the first cut of the Budget.

We heard that there has been a significant underspend achieved within the last two years and is likely again this year, and you highlighted the positive outturn at the end of 2021. You also explained to us that the UK Government/Treasury has included Covid-related monies within the Welsh Government settlement.

Members queried the position of the Fire Authority in relation to the Estimated Fire Authority Levy increase of 3% - 3.5%. We understand that the Council is in contact with the relevant officers regarding this matter.

We also queried pay and grading reviews, and costs of staff reduction. Officers explained that there is a backlog of grading appeals, yet to come through, but compared to the Budget are very modest in scale. It was noted that hardly any posts are at risk of redundancy as a result of budget proposals.

Panel Members queried the Capital Equalisation Reserve (referring to S4.17 and S4.18 in the report). Officers explained that the CER is being used to bridge some pressures and smooth some timing differences over several years.

Panel Members queried likely calculations relating to note 18 of the report (*following the introduction of the new Social Care Levy, currently reflected as an increase to National Insurance rates*). Officers explained it will be a few years before figures can be certain both as to sums raised by HM Treasury by the new tax and sums received and spent ultimately by Councils.

We are interested in any thoughts you may have on the contents of this letter but, in this instance, we require no formal written response.

Yours sincerely,

Councillor Chris Holley
Convener, Service Improvement and Finance Scrutiny Performance Panel
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Agenda Item 11



**Report of the Chief Legal Officer
Service Improvement and Finance Performance Panel – 15 February 2022
Exclusion of the Public**

Purpose:	To consider whether the Public should be excluded from the following item of business.	
Policy Framework:	None.	
Consultation:	Legal.	
Recommendation(s):	It is recommended that:	
1)	The public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as set out in the Paragraphs listed below of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 subject to the Public Interest Test (where appropriate) being applied.	
	Item No.	Relevant Paragraphs in Schedule 12A
	12	14
Report Author:	Scrutiny	
Finance Officer:	Not Applicable	
Legal Officer:	Tracey Meredith – Chief Legal Officer (Monitoring Officer)	

1. Introduction

- 1.1 Section 100A (4) of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007, allows a Principal Council to pass a resolution excluding the public from a meeting during an item of business.
- 1.2 Such a resolution is dependent on whether it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present during that item there would be disclosure to them of exempt information, as defined in section 100I of the Local Government Act 1972.

2. Exclusion of the Public / Public Interest Test

- 2.1 In order to comply with the above mentioned legislation, the Panel will be requested to exclude the public from the meeting during consideration of the

item of business identified in the recommendation to the report on the grounds that it involves the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

- 2.2 Information which falls within paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended is exempt information if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 2.3 The specific Exclusion Paragraphs and the Public Interest Tests to be applied are listed in **Appendix A**.
- 2.4 Where paragraph 16 of the Schedule 12A applies there is no public interest test. Councillors are able to consider whether they wish to waive their legal privilege in the information, however, given that this may place the Council in a position of risk, it is not something that should be done as a matter of routine.

3. Financial Implications

- 3.1 There are no financial implications associated with this report.

4. Legal Implications

- 4.1 The legislative provisions are set out in the report.
- 4.2 Councillors must consider with regard to each item of business set out in paragraph 2 of this report the following matters:
 - 4.2.1 Whether in relation to that item of business the information is capable of being exempt information, because it falls into one of the paragraphs set out in Schedule 12A of the Local Government Act 1972 as amended and reproduced in Appendix A to this report.
 - 4.2.2 If the information does fall within one or more of paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended, the public interest test as set out in paragraph 2.2 of this report.
 - 4.2.3 If the information falls within paragraph 16 of Schedule 12A of the Local Government Act 1972 in considering whether to exclude the public members are not required to apply the public interest test but must consider whether they wish to waive their privilege in relation to that item for any reason.

Background Papers: None.

Appendices: Appendix A – Public Interest Test.

Public Interest Test

No.	Relevant Paragraphs in Schedule 12A
12	Information relating to a particular individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 12 should apply. His view on the public interest test was that to make this information public would disclose personal data relating to an individual in contravention of the principles of the Data Protection Act. Because of this and since there did not appear to be an overwhelming public interest in requiring the disclosure of personal data he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
13	Information which is likely to reveal the identity of an individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 13 should apply. His view on the public interest test was that the individual involved was entitled to privacy and that there was no overriding public interest which required the disclosure of the individual's identity. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
14	Information relating to the financial or business affairs of any particular person (including the authority holding that information).
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 14 should apply. His view on the public interest test was that:</p> <p>a) Whilst he was mindful of the need to ensure the transparency and accountability of public authority for decisions taken by them in relation to the spending of public money, the right of a third party to the privacy of their financial / business affairs outweighed the need for that information to be made public; or</p> <p>b) Disclosure of the information would give an unfair advantage to tenderers for commercial contracts.</p> <p>This information is not affected by any other statutory provision which requires the information to be publicly registered.</p> <p>On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>

No.	Relevant Paragraphs in Schedule 12A
15	Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
	The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 15 should apply. His view on the public interest test was that whilst he is mindful of the need to ensure that transparency and accountability of public authority for decisions taken by them he was satisfied that in this case disclosure of the information would prejudice the discussion in relation to labour relations to the disadvantage of the authority and inhabitants of its area. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.
16	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
	No public interest test.
17	Information which reveals that the authority proposes: (a) To give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) To make an order or direction under any enactment.
	The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 17 should apply. His view on the public interest test was that the authority's statutory powers could be rendered ineffective or less effective were there to be advanced knowledge of its intention/the proper exercise of the Council's statutory power could be prejudiced by the public discussion or speculation on the matter to the detriment of the authority and the inhabitants of its area. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.
18	Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime
	The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 18 should apply. His view on the public interest test was that the authority's statutory powers could be rendered ineffective or less effective were there to be advanced knowledge of its intention/the proper exercise of the Council's statutory power could be prejudiced by public discussion or speculation on the matter to the detriment of the authority and the inhabitants of its area. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.