City and County of Swansea

Minutes of the Scrutiny Programme Committee

Multi-Location Meeting - Gloucester Room, Guildhall / MS Teams

Tuesday, 18 October 2022 at 4.30 pm

Present: Councillor P M Black (Chair) Presided

Councillor(s)	**Councillor(s)**	**Councillor(s)**
E W Fitzgerald	R Fogarty	H Lawson
V A Holland	M Jones	F D O'Brien
W G Lewis	T J Hennegan	M S Tribe
S Pritchard		T M White

Statutory Co-opted Member(s)
Beth Allender	Elizabeth Lee

Councillor Co-opted Member(s)
C A Holley	P R Hood-Williams	S M Jones

Officer(s)
Leanne Ahern	PSB Support Officer
Steve King	Information, Research & GIS Team Leader
Sarah Lackenby	Head of Digital and Customer Services
Brij Madahar	Scrutiny Team Leader
Suzy Richards	Sustainable Policy Officer
Richard Rowlands	Strategic Delivery & Performance Manager
Debbie Smith	Deputy Chief Legal Officer
Jane Whitmore	Strategic Lead Commissioner
Samantha Woon	Democratic Services Officer
Ness Young	Interim Director of Corporate Services

Also present
A S Lewis	Chair of PSB Joint Committee and Deputy Leader CCoS
R Stewart	Leader CCoS
R Thomas	Chief Fire Officer, Mid & West Wales Fire & Rescue Service (Vice-Chair of PSB Joint Committee)
P McDonnell	Swansea Environmental Forum
C Bija	PSB Scrutiny Co-optee
A Richmond-Jones	Mid & West Wales Fire & Rescue Service
A Carr	Swansea Council for Voluntary Service
K Reid	Swansea Bay University Health Board

Apologies for Absence
Councillor(s): P N May
Councillor Co-opted Members: L R Jones

30   Disclosures of Personal & Prejudicial Interest.

In accordance with the Code of Conduct adopted by the City and County of Swansea, the following interests were declared:

Councillors T J Hennegan, H Lawson and S Pritchard – Personal – Minute No. 5 – Scrutiny of Swansea Public Services Board.

31   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.

32   Minutes.

Resolved that the minutes of the Scrutiny Programme Committee held on 16 August, 2022, be signed and approved as a correct record.

33   Public Question Time.

There were no public questions.

34   Scrutiny of Swansea Public Services Board.

The Cabinet Member for Economy, Finance & Strategy (Leader), the Cabinet Member for Climate Change & Service Transformation (Deputy Leader and Chair of Swansea PSB Joint Committee), the Vice-Chair of Swansea PSB Joint Committee and the Strategic Delivery and Performance Manager were all present for Scrutiny of the Swansea Public Services Board (PSB). They were joined by officers who coordinated the work of the PSB, operational leads working on the delivery of PSB Well-being Objectives, and other strategic representatives of the PSB.

Provided to the Committee in support of the session, for questions, were:
- the recently published PSB Annual Report 2021/22, showing the delivery of PSB well-being objectives
- work being done to improve the PSB's performance framework (following issue raised by the Committee at previous Scrutiny session)
- the new Assessment of Local Well-being (published in May 2022), and
- a paper on progress with development of a new Local Well-being Plan which must be in place by May 2023.

Committee questioning and discussion regarding the performance of the PSB focussed on the following:

1)   Efforts to improve the way the PSB measures its performance to facilitate Scrutiny, and challenges around this;

2)   PSB funding and resources;

3)   Impact of the pandemic on the PSB;

4)   Public engagement in the work of the PSB and development of the new Assessment of Well-being;

5)   How the PSB Annual Report could be improved, e.g., as well as focus on progress in the delivery of PSB well-being objectives, led by individual statutory members, examples of effective collaborative working on issues;

6)   Local Well-being Indicators, including performance in relation to community safety and air quality; and

7)   The involvement of the Scrutiny Programme Committee in scrutinising the draft PSB Well-being Plan.

The Chair thanked all Members, Officers and Board Members.

Resolved that the Chair of the Scrutiny Programme Committee write to the Public Services Board, reflecting the discussion and sharing the views of the Committee.

35   Pre-Decision Scrutiny: Oracle Project Investment Update.

The Leader of the Council and Cabinet Member for Service Transformation assisted by the Head of Digital and Customer Services, were present for pre-decision scrutiny of the Cabinet report on Oracle Project Investment Update. The report was being presented to Cabinet on 20 October for decision.

The Joint Report of the Cabinet Member for Economy, Strategy & Finance and Cabinet Member for Service Transformation provided an update on the Oracle Fusion project and sought Cabinet approval for additional investment in the project to meet unavoidable costs associated with the pandemic and recovery from it. It asked Cabinet to approve the revised plan and timeline for the implementation of the Oracle project (completion by 1 April 2023) together with further investment (£2.8m) as outlined.

Committee questions focussed on reasons for the project delay, concerns around the financial implications, exploration of the specific areas of spending listed in Table 1 (para. 4.1 of the Cabinet report), and reasons for the additional activities stated. Clarification was sought in regard to total project costs, the risk of a further escalation of costs given variables reported that may be out of the Council's control, (e.g., the timing of the teachers' and local government pay award implementation).

The Chair thanked Members and Officers.

Resolved that the Chair write to Cabinet Members outlining the view of the Committee ahead of Cabinet on 20 October 2022.

36   Membership of Scrutiny Panels and Working Groups.

Further to written report, some changes were verbally reported for agreement:

- Adult Services Performance Panel – Add Cllr Cheryl Philpott
- Child & Family Services Performance Panel – Add Cllr Cheryl Philpott
- Road Safety Working Group – Add Cllr Sara Keeton

Resolved that the membership of the Panels and Working Groups as reported, be agreed.

37   Scrutiny Work Programme.

The Chair presented the agreed Scrutiny Work Programme for 2022/23 which the Committee is responsible for monitoring.

As per Committee work plan, the plan for next meeting on 15 November is:

- Scrutiny of Cabinet Member Portfolio Responsibilities: Fly Tipping
- Annual Corporate Safeguarding Report
- Follow Up: Workforce Scrutiny Working Group

38   Scrutiny Letters.

The Chair presented a report on 'Scrutiny Letters' for information.

39   Date and Time of Upcoming Panel / Working Group Meetings.

The Chair referred to the date and time of upcoming Scrutiny Panel/Working Group Meetings, for information.

The meeting ended at 5.44 pm

Chair

To/
Councillor Rob Stewart,
Cabinet Member for Economy,
Finance & Strategy (Leader) &
Councillor Andrea Lewis, Cabinet
Member for Service Transformation
(Deputy Leader)

BY EMAIL
cc: Cabinet Members

Summary: This is a letter from the Scrutiny Programme Committee to the Cabinet Members following the Committee meeting on 18 October 2022. It is about the proposed Cabinet decision on the Oracle Project. A formal written response is not required.

Dear Councillor,

Pre-decision Scrutiny of Cabinet Report:
Oracle Project Investment Update

The Scrutiny Programme Committee met on 18 October 2022 to consider the report that you intend to present and recommend to Cabinet on 20 October. We thank you and officers for attending the meeting to present the report and answer questions.

Your Cabinet report provides an update on the Oracle Fusion project and seeks approval for additional investment in the project to meet unavoidable costs associated with the pandemic and recovery from it. It asks Cabinet to approve the revised plan and timeline for the implementation of the Oracle project together with further investment as outlined in paragraph 4.1 of the Cabinet report.

We are writing to confirm our views on the proposed decision for Cabinet to consider before it makes a decision.

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

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You highlighted to the Committee that:

- The transformation project was initiated, as the existing Oracle system was due to become end of life, just as the unforeseen pandemic was about to hit, which consequently has delayed progress in implementation and impacted on costs. Apart from time lost due to sickness related to COVID, council resources were unavoidably diverted to ensure it could get though the pandemic with officers working under pressure to support people and businesses throughout the pandemic.
- This is a multi-organisation project with a global computer technology corporation whose staff and operations have also been affected by the pandemic.
- Most of the additional costs are directly related to the impact of the pandemic, and bring the total additional investment figure required to deliver the project to around £11.2m, including a contingency fund of £500k which remains in place. You reported that £6.1m can be attributed directly to the pandemic and the council's need to manage its impact on employees, individuals, businesses, and communities across Swansea.
- A case is being made to the Welsh Government to meet the £6.1m in extra costs, in line with commitments made to councils about additional expenditure incurred due to the pandemic. This would then bring council spending on the project back in line within the projected budget reported back in 2019.
- The upgrade to the new Oracle Fusion Cloud system will provide a more resilient platform and should have a 10–20 year life.

Several questions were asked at the meeting which were responded to, relating to project delay, concerns around the financial implications, exploration of the specific areas of spending listed in Table 1 (para. 4.1 of the Cabinet report), and reasons for the additional activities stated.

We sought clarification of project investment, considering previous Cabinet reports on the matter which had also been scrutinised by the Committee. In January officers confirmed to us that the additional investment at that time would be just under £8.5m. The latest report indicates that the projected cost is now just under £10.8m plus a £500,000 contingency, that is over twice the estimated £4.8m cost in the September 2019 Cabinet report.

We also asked about the risk of a further escalation of costs given variables reported that may be out of the council's control, for example the timing of the teachers' and local government pay award implementation will add to the complexity of the project and the resources required to complete individual tasks. The nearer the implementation date is to the end of the financial year the higher the risk to the go live date of 1 April 2023. It was explained that any change requests which arise during project implementation would attract an additional charge.

We noted that the project is a top priority for the Service Centre and the Finance Team and plans are in place to manage other business critical activities such as recruitment, debtors and creditors, procurement, and payroll.

Committee Feedback

In the time available to review your report and ask questions, the Committee wish to bring the following to the attention of Cabinet:

- The Committee has some concerns about the increase in overall project costs. Given the potential for further costs (chargeable changes), the council will, for example, need to ensure its review of licences prior to Audit is accurate to avoid additional costs.
- There is concern about the possibility of further overrun in project implementation, which would mean not being able to meet the proposed go-live date of 1 April 2023. Support for the existing Oracle system will finally end June 2023 therefore there is little room for slippage.
- There is some doubt whether the Welsh Government will cover the £6.1m reported as additional costs due to the pandemic, and if and when this will be considered. We understand that to date they have refused to meet additional ICT costs incurred as a result of COVID.
- The Cabinet report is about additional investment. The Committee would like a report, following implementation of the new system, which provides clarity on total project cost, so that the public have a clearer understanding of the costs, and benefits of the project, to explain the spending of over £10m. It is acknowledged that the actual final cost will not be known until after implementation.

I will attend the meeting on Thursday to address Cabinet with the feedback from Scrutiny, as contained in this letter.

Your Response

We hope that you find the contents of this letter helpful. No response is required unless there are any material changes to the report and/or variation to the recommendation/proposed Cabinet decision, which the Committee should be alerted to.

Yours sincerely,

COUNCILLOR PETER BLACK
Chair, Scrutiny Programme Committee
✉ cllr.peter.black@swansea.gov.uk