



**Dinas a Sir Abertawe**

**Hysbysiad o Gyfarfod**

Fe'ch gwahoddir i gyfarfod

## **Y Cabinet**

**Lleoliad:** Cyfarfod Aml-Leoliad - Ystafell Gloucester, Neuadd y Ddinas / MS Teams

**Dyddiad:** Dydd Iau, 16 Chwefror 2023

**Amser:** 10.00 am

**Cadeirydd:** Cynghorydd Rob Stewart

**Aelodaeth:**

Cynghorwyr: C Anderson, R Francis-Davies, L S Gibbard, H J Gwilliam, D H Hopkins, E J King, A S Lewis, A Pugh, R V Smith a/ac A H Stevens

**Gwyllo ar-lein:** <http://bit.ly/3iYv5ql>

---

**Gweddarlledu:** Gellir ffilmio'r cyfarfod hwn i'w ddarlledu'n fyw neu'n ddiweddarach drwy wefan y cyngor. Drwy gymryd rhan, rydych yn cytuno i gael eich ffilmio ac i'r delweddau a'r recordiadau sain hynny gael eu defnyddio at ddibenion gweddarlledu a/neu hyfforddiant o bosib.

**Mae croeso i chi siarad Cymraeg yn y cyfarfod.**

Dywedwch wrthym erbyn canol dydd, ddeuddydd cyn y cyfarfod.

### **Agenda**

**Rhif y Dudalen.**

1. **Ymddiheuriadau am absenoldeb.**

2. **Datgeliadau o fuddiannau personol a rhagfarnol.**

[www.abertawe.gov.uk/DatgeluCysylltiadau](http://www.abertawe.gov.uk/DatgeluCysylltiadau)

3. **Cofnodion.**

Cymeradwyo a llofnodi cofnodion y cyfarfod(ydd) blaenorol fel cofnod cywir.

**1 - 6**

4. **Cyhoeddiadau Arweinydd y Cyngor.**

5. **Cwestiynau gan y cyhoedd.**

Gellir cyflwyno cwestiynau'n ysgrifenedig i'r Gwasanaethau Democratiaid [Democratiaeth@abertawe.gov.uk](mailto:Democratiaeth@abertawe.gov.uk) hyd at ganol dydd y diwrnod cyn y cyfarfod. Bydd cwestiynau ysgrifenedig yn cael eu blaenoriaethu.

Gall y cyhoedd ddod a gofyn cwestiynau'n uniongyrchol os bydd amser.

Rhaid i gwestiynau fod yn berthnasol i'r eitemau ar ran agored yr agenda ac ymdrinnir â nhw o fewn cyfnod o 10 munud.

6. **Hawl i holi cynghorwyr.**
7. **Adborth ar Graffu Cyn Penderfynu - Adroddiadau am y Gyllideb (Ilafar)**
8. **Monitro Refeniw a'r Gyllideb Gyfalaf - Chwarter 3ydd 2022/23. 7 - 29**
9. **Cynllunio Ariannol Tymor Canolig 2024/25 - 2026/27. 30 - 69**
10. **Cyllideb Refeniw 2023/24. 70 - 138**
11. **Cyllideb a Rhaglen Gyfalaf 2022/23- 2027/28. 139 - 160**
12. **Cyfrif Refeniw Tai (CRT) - Cyllideb Refeniw 2023/24. 161 - 170**
13. **Cyfrif Refeniw Tai - Cyllideb a Rhaglen Gyfalaf 2022/23 - 2026/27. 171 - 200**
14. **Adolygiad blynyddol o daliadau (gwasanaethau cymdeithasol) 2022/23. 201 - 258**
15. **Penodiadau Llywodraethwyr yr Awdurdod Lleol. 259 - 263**
16. **Cynllun Cymorth Costau Byw - Cynllun Dewisol Ychwanegol. 264 - 302**
17. **Rhoi Cronfa Ffyniant Gyffredin y DU ar waith. 303 - 319**

---

*\* Gweithdrefn Galw i Mewn - Testun Craffu cyn Penderfynu: Mae'r penderfyniad hwn yn rhydd o Weithdrefn Galw i Mewn yr awdurdod gan fod "y penderfyniad wedi bod yn destun Craffu Cyn Penderfynu ac ni fu unrhyw newid pwysig i wybodaeth/dystiolaeth berthnasol".*

**Cyfarfod Nesaf:** Dydd Iau, 23 Mawrth 2023 ar 10.00 am



**Huw Evans**  
**Pennaeth Gwasanaethau Democraidd**  
**Dydd Mawrth, 7 Chwefror 2023**

---

**Cyswllt: Gwasanaethau Democraidd - Ffon: (01792) 636923**

# Agenda Item 3.



**City and County of Swansea**

**Minutes of the Cabinet**

**Remotely via Microsoft Teams**

**Thursday, 19 January 2023 at 10.00 am**

**Present:** Councillor R C Stewart (Chair) Presided

**Councillor(s)**

C Anderson  
H J Gwilliam  
A Pugh

**Councillor(s)**

R Francis-Davies  
D H Hopkins  
R V Smith

**Councillor(s)**

L S Gibbard  
A S Lewis  
A H Stevens

**Officer(s)**

Huw Evans  
Tracey Meredith  
Martin Nicholls  
Ben Smith  
Ness Young

Head of Democratic Services  
Chief Legal Officer / Monitoring Officer  
Chief Executive  
Director of Finance / Section 151 Officer  
Interim Director of Corporate Services

**Also present**

Councillor(s): C M J Evans

**Apologies for Absence**

Councillor(s): E J King

---

## 113. Disclosures of Personal and Prejudicial Interests.

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

- 1) Councillor A H Stevens declared a Personal & Prejudicial Interest in Minute 116 "Public Question Time" and withdrew from the meeting prior to its consideration.
- 2) Councillor R V Smith declared a Personal & Prejudicial Interest in Minute 119 "Local Authority Governor Appointments" and stated that he had dispensation from the Standards Committee to Stay, Speak but Not Vote on matters relating to the Appointment of Local Authority Governors.
- 3) Councillor H J Gwilliam declared a Personal & Prejudicial Interest in Minute 119 "Local Authority Governor Appointments" and withdrew from the meeting prior to its consideration.

- 4) Councillor A H Stevens declared a Personal & Prejudicial Interest in Minute 125 "Update Estate Management Report on Swansea Airport" and withdrew from the meeting prior to its consideration.
- 5) Councillor A H Stevens declared a Personal & Prejudicial Interest in Minute 127 "Update Estate Management Report on Swansea Airport" and withdrew from the meeting prior to its consideration.

**114. Minutes.**

**Resolved** that the Minutes of the meeting(s) listed below be approved and signed as a correct record:

- 1) Cabinet held on 15 December 2022.
- 2) Cabinet held on 22 December 2022.

**115. Announcements of the Leader of the Council.**

**1) Levelling-Up Bid Success**

The Leader of Council stated that the UK Government has approved a levelling-up bid from Swansea Council for the project, which is aimed at further regenerating the Lower Swansea Valley.

The major new project will preserve Swansea's industrial heritage, breathe more life into the River Tawe corridor and create jobs and investment has been given a £20m funding boost.

**116. Public Question Time.**

Bob Oliver, Mark Anderson, and Alan Bailey asked public questions in relation to Minute 125 "Update Estate Management Report on Swansea Airport."

The Cabinet Member for Corporate Service & Performance and Leader of the Council responded.

**117. Councillors' Question Time.**

Councillor C M J Evans asked questions in relation to Minute 125 "Update Estate Management Report on Swansea Airport."

The Cabinet Member for Corporate Service & Performance and Leader of the Council responded.

**118. Local Authority Governor Appointments.**

The Local Authority Governors Appointment Group submitted a report, which sought approval of the nominations submitted to fill Local Authority (LA) Governor vacancies on School Governing Bodies.

**Resolved that:**

- 1) The following nominations recommended by the Director of Education in conjunction with the Cabinet Member for Education & Learning be approved:

|    |                           |                      |
|----|---------------------------|----------------------|
| 1) | Clase Primary School      | Lesley Evans         |
| 2) | Cwmglas Primary School    | Helen Usiobaifo      |
| 3) | St Thomas Primary School  | Cllr Hayley Gwilliam |
| 4) | Whitestone Primary School | Lauren Brown         |
| 5) | Ysgol Gyfun Bryntawe      | Janet Rowlands       |

**119. Car Parking Charges.**

The Cabinet Member for Environment & Infrastructure submitted a report that sought approval for proposed car parking tariffs for Council car parks. The report explained the financial impact of the existing car parking offers and sets out proposals to meet the increase in income targets set within the Medium Term Financial Plan.

**Resolved that:**

- 1) The proposed parking tariffs detailed in the report be implemented for all car parks from 1 April 2023 subject to the outcome of the Council Budget Consultation and approval of the Council Budget for 2023/24.
- 2) Authority be delegated to the Head of Highways and Transportation and Cabinet Member for Environment and Infrastructure to increase parking charges in line with the RPI rate of inflation.

**120. General Building Materials Framework.**

The Cabinet Member for Service Transformation submitted a report that sought approval to award a framework agreement for the supply of General Building Materials, to facilitate direct orders for housing stock maintenance and public building projects.

**Resolved that:**

- 1) The appointment of the Suppliers listed in Appendix A of the report be approved onto the Framework and the Council be authorised to enter into Framework Agreements with each Supplier, to facilitate call-off contracts from the Framework as and when required.
- 2) Authority be delegated to the Head of Building Services and the Chief Legal Officer as necessary to approve the terms of the Framework Agreements and any future call-off contracts under the Framework Agreement.

**121. Review of the Statement of Policy for Licensing.**

The Cabinet Member for Corporate Service & Performance submitted a report that sought agreement for the draft of the revised Licensing Policy to be issued for consultation.

**Resolved** that:

- 1) The proposed changes to the Council's Statement of Policy for Licensing be agreed.
- 2) The revised policy be issued for consultation prior to reporting back to Council for adoption.

**122. Review of the Policy on the Licensing of Sex Establishments.**

The Cabinet Member for Corporate Service & Performance submitted a report that sought approval for the reviewed Policy on the Licensing of Sex Establishments to be issued for consultation.

**Resolved** that:

- 1) The existing "relevant localities" for the purposes of determining applications for sex establishments and the "appropriate number" of sex establishments for each locality are retained.
- 2) The policy be issued for consultation prior to reporting back to Council for adoption.

**123. Proposal to Publish Cumulative Impact Assessment – City Centre.**

The Cabinet Member for Corporate Service & Performance submitted a report that sought agreement for the draft Cumulative Impact Assessment to be issued for consultation.

**Resolved** that:

- 3) The proposed draft of the Cumulative Impact Assessment be issued for consultation.

**124. Fixed Penalty Notices for Breach of House-holder Duty of Care in relation to Fly-tipping.**

The Cabinet Member for Community Services submitted a report that sought approval to adopt and implement the Household Waste Duty of Care (Fixed Penalties) (Wales) Regulations 2019 to issue fixed penalty notices (FPNs) as a more proportionate response to tackling small scale fly tipping where appropriate.

**Resolved that:**

- 1) The issue of Fixed Penalty Notices in accordance with the Legislation be approved.
- 2) The fixed penalty fee be set at £300 to be paid within 14 working days in accordance with the legislation.
- 3) An early payment amount of £150 if paid within 10 working days be approved.

**125. Update Estate Management Report on Swansea Airport.**

The Cabinet Member for Corporate Service & Performance submitted a report that provided an update on the current estate management activities at Swansea Airport and sought authority to proceed with the recommendations as outlined.

**Resolved that:**

- 1) In accordance with the legal advice provided by the Council's legal officers in conjunction with external advisers Geldards LLP, Cabinet does not oppose the principle of the S.26 request (Landlord and Tenant Act 1954) for a new tenancy with its existing tenant, Swansea Airport Limited but proposes alternative lease terms.
- 2) Authority be delegated to the Head of Property Services and Chief Legal Officer to negotiate and agree the appropriate terms of the lease renewal to safeguard the Council's position whilst ensuring the Tenant continues to invest further in the asset.

**126. Exclusion of the Public.**

Cabinet were requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendations to the report(s) on the grounds that it / they involve the likely disclosure of exempt information as set out in the exclusion paragraph of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 relevant to the items of business set out in the report(s).

Cabinet considered the Public Interest Test in deciding whether to exclude the public from the meeting for the item of business where the Public Interest Test was relevant as set out in the report.

**Resolved** that the public be excluded for the following item(s) of business.

**(Closed Session)**

**127. Update Estate Management Report on Swansea Airport.**

The Cabinet Member for Corporate Service & Performance submitted a report that provided an update on the current estate management activities at Swansea Airport.

The meeting ended at 10.53 am

**Chair**

| <b>Call In Procedure – Relevant Dates</b>                        |                          |
|------------------------------------------------------------------|--------------------------|
| Minutes Published:                                               | <b>19 January 2023</b>   |
| Call In Period Expires (3 Clear Working Days after Publication): | 23.59 on 24 January 2023 |
| Decision Comes into force:                                       | 25 January 2023          |



# Agenda Item 8.



## Report of the Cabinet Member for Economy, Finance & Strategy

Cabinet – 16 February 2023

### Revenue and Capital Budget Monitoring 3rd Quarter 2022/23

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | To report on financial monitoring of the 2022/23 revenue and capital budgets, including the delivery of budget savings.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Policy Framework:</b>           | Budget 2022/23.<br>Transformation and Future Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Consultation:</b>               | Cabinet Members, Corporate Management Team, Legal Services and Access to Services.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Recommendation(s):</b>          | It is recommended that Cabinet:<br><br>1) Notes the comments and variations, including the material uncertainties, set out in the report and the actions in hand to seek to address these.<br><br>2) Approves the virements set out in paragraph 2.7 and the use of the Contingency fund as set out in 3.2 subject to any further advice from the S.151 officer during the year.<br><br>3) Reinforces the need for all Directors to continue to minimise service spending in year, recognising that the budget overall is currently balanced only by relying on future likely (but far from wholly assured) reimbursement from Welsh Government, centrally held contingency budgets and reserves.<br><br>4) Recognises that cost overspends can now only reasonably be sought to be minimised, rather than eliminated, in current year by some targeted recovery action with a clear expectation of 'tough' rebasing choices to achieve a balanced budget for the 2023-24 budget round. |
| <b>Report Author:</b>              | Ben Smith                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Finance Officer:</b>            | Ben Smith                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Legal Officer:</b>              | Tracey Meredith                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Access to Services Officer:</b> | Rhian Millar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

## 1. Background and Introduction

- 1.1 This report details forecast variations from the agreed budget for 2022/23.
- 1.2 In respect of Revenue Budgets, this report provides a consolidated forecast, which combines:
- projected variations in relation to budget savings agreed by Council in March 2022
  - Variations arising from other service pressures not directly linked to specific savings plans (e.g. increased service demand, price and pay inflation, increased, but most often unfunded, regulatory obligations and burdens from both UK and Welsh governments)
- 1.3 The report includes comments from Directors in relation to the variations highlighted and the action that is in hand or proposed as appropriate.

## 2. Revenue Outturn Forecast Based on 2nd Quarter position

- 2.1 Appendix 'A' to this report details the approved Revenue Budget for 2022/23 and the forecast variation at this time.
- 2.2 Other than projected variations on Directorate expenditure, it is still too soon to confidently forecast final variations that may arise on some significant Corporate items, including the level of Council Tax collection (which posted a deficit in 2021-22 of £4m). However, given the ongoing impact of COVID and based on the 2021-22 final position on collection an optimistic forecast is that there will be a shortfall in the region of £2.0m in 2022-23. This could possibly be subject to some form of continued grant underpin support in due course from the Welsh Government, but is far from assured, and is certainly not at all presumed.
- 2.3 The overall Directorate position is summarised below:-

### **DIRECTORATE**

|                                | <b>FORECAST<br/>VARIATION<br/>2022/23<br/>£000</b> | <b>COVID<br/>VARIATION<br/>2022/23<br/>£000</b> | <b>OTHER<br/>VARIATION<br/>2022/23<br/>£000</b> |
|--------------------------------|----------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| CORPORATE SERVICES             | 3,471                                              | 3,753                                           | -282                                            |
| FINANCE                        | -2,431                                             | 0                                               | -2,431                                          |
| SOCIAL SERVICES                | 53                                                 | 0                                               | 53                                              |
| EDUCATION                      | 3,902                                              | 0                                               | 3,902                                           |
| PLACE                          | 4,000                                              | 0                                               | 4,000                                           |
| <b>NET SERVICE EXPENDITURE</b> | <b>8,995</b>                                       | <b>3,753</b>                                    | <b>5,242</b>                                    |

- 2.4 Directors' comments on the above variations are shown at Appendix B.
- 2.5 Within the *Recovery Plan Service Transformation* Programme, work continues to develop service delivery plans linked to savings targets and prioritisation of

services. This includes the cross cutting nature of new reviews as well as the completion of current in-flight reviews.

- 2.6 The table above shows an estimated overspend for the year of £8.995million. Bar some COVID 19 pandemic fluctuations, this amount is in effect entirely because of the recently approved 2022/23 pay award. There is only a 3% pay award budgeted for. There will be in excess of £12 million additional payroll costs that are unfunded by the UK/Welsh Governments. The only funding announced as being available from Welsh Government in relation to COVID related costs in 2022-23 is, for the period up to the end of September 2023, Statutory Sick Pay support and Self Isolation payments plus a longer timescale to the end of the March 2023 for certain Free School Meals costs. Due to the Cost of Living crisis there is additional funding available for winter fuel payments. Those amounts received at this stage have been included in the figures above. Section 2.7 below shows the level of the currently eligible expenditure that has been deemed as eligible and paid by WG to date.
- 2.7 Currently, monthly claims against additional COVID expenditure for the above specific currently eligible areas for April to December have been submitted to WG. The summary of claims submitted to date and claims WG have agreed to date are set out below:

**Summary of claims submitted and approvals received to date in 2022/23**

|                        | <b>Claim<br/>£000's</b> | <b>Paid<br/>£000's</b> |                                                                                                            |
|------------------------|-------------------------|------------------------|------------------------------------------------------------------------------------------------------------|
| April to December 2022 | 9,396                   | 3,669                  | (December claim submitted in January. WG response awaited. November claim agreed and waiting for payment.) |

To ensure as accurate forecast position as possible these grants have been vired to services as they are received and the impact included within the relevant service forecasts in section 2.3 and in Appendix A.

Grant claims to Welsh Government in relation to TTP/WVCS costs are ongoing currently but are expected to cease later in the year when the service is scaled back considerably with a new set up in conjunction with public health. As such it is expected that there will be total costs in the region of £3.8m arising. Costs (after grants received) are included under Corporate Service. An assumption regarding 100% funding of this cost is included in the table below and in Appendix A.

In addition to the specific additional service costs regarding Free School Meals in relation to COVID the authority has once again continued to act as an “Agent” on behalf of the Welsh Government in relation to Self-Isolation payments, Statutory Sick Pay and Cost of Living national scheme. All of these costs are anticipated to be funded 100% by the Welsh Government and as such costs incurred and grants received will be reported later in the year once the most recent announcements/schemes have been implemented.

- 2.8 Service budgets currently only assume a 3% pay award, however the recently accepted pay offer from the Employers (for local government services) is significantly higher than this – with a minimum offer of £1,925 per spinal point. This equates to an overall average of around 7-8% on base pay and on-costs for pensions and employers' national insurance. The cost of this is likely to be in excess of £18m for Council staff with a further £2m estimated for Teachers (£3m full year effect) if the existing 5% offer is accepted (WG have imposed the offer but it is still subject to much uncertainty as to likelihood of being accepted given recent trade union ballots and announced intended industrial action). This exceeds the amount budgeted by a sum in the region of £12m and no additional government funding is likely forthcoming for any services. **This means particularly for schools, for this year, they will have to fund own pay awards from within existing budgets.** This is entirely consistent in treatment with other council services, which are also not funded, but means these costs will eat directly into schools delegated reserves, given the way schools delegated budgets operate, rather than Council's reserves due to their enforced staff overspending. Vehicle fuel costs are already feeding into reported forecast overspends in some areas and these are reflected where known, but remain volatile. Whilst in year energy costs are being closely monitored, and assessed to remain afforded within reasonable tolerance of the overall budgets set for the current year, with some offsetting savings elsewhere, but predominantly because of the advance buying of energy, the position remains extremely volatile and challenging for new energy forward purchases and will undoubtedly be a very significant burden on future year budgets (up to £15million increase, a threefold increase, remains a still very likely near term scenario).
- 2.9 Corporate Management Team has re-enforced the current arrangements for budget monitoring in particular:
- focus on a range of corrective actions, particularly for services overspent even before allowing for the unfunded pay award;
  - targeted immediate spend minimisation and deferral action;
  - spending control on all vacancies and contracts;
  - a continued reminder that **no Responsible Officer is authorised to overspend their budget in line with Financial Procedure Rules;**
  - and consequently that Directors must work closely with Cabinet Members and the Corporate Management Team to contain, reduce, defer and delay spending as far as possible, having due regard, to existing agreed budget and political priorities to nonetheless seek to limit service spending especially given the substantially higher than expected national pay awards;
  - but recognising that the overall spend pressures are near wholly Covid or pay award related and that reserves were bolstered to temporarily assist with such pressures in the short term.
- 2.10 Offsetting opportunities do exist to temporarily ameliorate the currently identified service demand and price pressures as follows.
- £1m was set aside in the budget for the potential costs relating to the impact of the Apprenticeship Levy. The final costs relating to this levy will only be known once final employee related costs are calculated at the

year-end. Should the full allocation not be required then any saving will be proposed to be used to mitigate service pressures at year end.

- £3.13m was set aside to meet any specific and significant inflationary increases arising in year. Given the overall financial projection at this stage, it is proposed by the S151 officer that this be earmarked as a compensating funding mechanism for likely higher than expected pay awards.
- Use of the Contingency Fund as detailed below.

### 3. Contingency Fund Provision for 2022/23

3.1 The contingency fund budgeted contribution was set at £3.731m contribution for 2022/23 as set out in the budget report approved by Council in March 2022. As a result of the favourable outturn position in 2021/22 there was a balance of £4.554m carried forward, to bring the total available in 2022/23 to £8.285m.

3.2 The current potential calls on the contingency fund for 2022/23 are:

| <b>Contingency Fund 2022/23</b>                                                                                             | <b>2022/23<br/>(£m)</b> |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Budgeted contribution for year                                                                                              | 3.731                   |
| Increase from 2021/22 carry forward                                                                                         | 4.554                   |
| Increase from Central Inflation transfer                                                                                    | 3.130                   |
| Coroner Court rooms                                                                                                         | -0.026                  |
| Freedom of City Merchant Navy event                                                                                         | -0.002                  |
| Payroll temporary support                                                                                                   | -0.075                  |
| Interim Director Corporate Services (up to)                                                                                 | -0.075                  |
| Potential for higher than budgeted national pay awards teaching and local government staff                                  | -8.587                  |
| Ashlands Sports Centre                                                                                                      | -0.150                  |
| Creation of IT Development Fund Reserve this was agreed as part of budget setting for 2022-23 and ongoing savings in future | -2.500                  |
| <b>Balance 31st March 2023</b>                                                                                              | <b>0.0</b>              |

The above table lists current potential calls on the budgeted contingency fund. All (apart from the pay award) are anticipated to be one off costs. The final amounts will be dependent on a number of factors during the year including speed of implementation, actual costs/commitments incurred and final Directorate outturn position. Spend approvals will be deliberately limited to seek to maximise underspend here as part of mitigating budget savings action.

As at 1<sup>st</sup> April 2022 some £3m remained within the Restructure Reserve to contribute toward ER/VR or other cost risks that may arise in 2021/22. The S151 officer remains satisfied that this is sufficient for 2022/23 and that there should be no call on contingency this year to fund such costs. The final costs

of ER/VR will only be known towards the end of the year once all management actions re savings proposals etc are implemented. At this stage it is assumed that all ER/VR costs will be able to be contained within the sum left in the Restructure Reserve.

Based on current forecast the S151 officer proposes to utilise the current year forecast underspend on the Contingency Fund of up to £5.457m to provide additional mitigation, together with the forecast unused element of the inflation provision of £3.130m (some £8.587m in total) toward the potential unfunded element of the 2022/23 pay award.

**The one off nature of the funding sources cannot be understated, the excess unbudgeted base costs will impact directly and significantly on the base budget pressures for 2023/24 and do not solve the inflationary pressures, merely defer most of the problem a year.**

However, the S151 officer proposes to reserve his final position on the recommended levels of use of the restructure reserve and contingency fund until the absolute success or otherwise of reducing the forecast overspend is known at year-end.

- 3.3 The current indication is that, for 2022/23, there needs to be continued targeted mitigating action and delivery of savings proposals to help reduce the overall overspend. It looks inevitable as this early stage that some draws from contingency and earmarked reserves will be needed to achieve a fully balanced budget for the year but this was somewhat anticipated and led to the material bolstering of earmarked reserves at outturn. Any inroads to net spending will reduce the necessary draw from reserves and increase the amount of reserves available to carry into 2023/24.
- 3.4 The action being taken includes working through existing plans on an accelerated delivery basis:
- Management and Business Support Review: ongoing review of the management structure across the Council and future requirements given the Council's priorities, future challenges and the changing nature of the role of managers
  - Managing the Pay Bill: review of options to contain or reduce employee costs across the Council as part of our overall future workforce strategy (subject to trade union consultation at the appropriate time)
  - Commercialism through third party Procurement Savings and Income Generation: review of further options to increase income from fees and charges, trading etc, in addition to the targets already set.
  - Progressing implementation of residual phases Commissioning Reviews and Cross Cutting Themes.
  - Further implementation of the Social Services Saving Plan through which we have identified mechanisms for bringing down overall costs.
  - On the basis that these are existing agreed actions fully set out in the agreed budget set by Council in March, whilst wholly recognising the ability to progress any of the above have been seriously impacted by Covid 19.

- Continuing the extant spending restrictions which have been agreed as necessary by Corporate Management Team.
- Directors detailed action plans as summarised in their Appendix B commentary.
- The Interim Director of Corporate Services leading the Recovery Plan implementation as agreed by Cabinet to agree alternative mitigating actions and future steps, taking into account post Covid 19 and Brexit.

3.5 It should be noted that at this time, although the Council continues to pursue a number of VAT related claims, some are more advanced than others, there is NO certainty of windfalls from VAT refunds or any other external source being received in the current year.

#### 4. Revenue Budget Summary

4.1 The position reported above reflects the best known current position and shows a net £8.995m of shortfall in service revenue budgets, almost entirely in relation to the recently accepted 2022/23 pay award together with anticipated costs/loss of income as a result of COVID19 which when combined with a forecast £2.0m shortfall in Council Tax collection leads to a total shortfall of £10.995m. To date the amount actually approved by WG in relation to COVID related additional costs/loss of income is set out as per 2.7 above. It is assumed that all the TTP costs will also be recovered and for 2022/23 some additional grant is shown below in the overall summary table of £3.8m. It is also possible that Council tax losses, or part of them at least, will be met by future WG grant support, but this is yet to be assured. In addition as identified above further mitigation is anticipated from the Apprenticeship/Inflation provision of £3.13m and Contingency fund of £5.457m. Taking account all of these mitigations and including the shortfall in Council Tax collection this results in a net forecast underspend for the council of £1.345m (after contingency and other reserve draws). Ongoing uncertainty over NDR receipts (after a succession of complicated interim relief schemes may likely need to utilise this residual under spend after reserve draws).

#### Summary

|                                                                                           | £'m           |
|-------------------------------------------------------------------------------------------|---------------|
| Service Forecast overspend                                                                | 8.995         |
| Council Tax shortfall                                                                     | 2.000         |
| <b>Less Mitigating</b>                                                                    |               |
| Assumed TTP/WVCS costs recovered                                                          | -3.753        |
| Inflation provision assumed to be fully utilised for potential pay offer                  | -3.130        |
| Contingency Fund balance after assumed use, to be utilised for agreed pay offer.          | -5.457        |
|                                                                                           |               |
| <b>Limited headroom available to potentially reduce the otherwise significant planned</b> | <b>-1.345</b> |

|                                           |  |
|-------------------------------------------|--|
| <b>draw from reserves and contingency</b> |  |
|-------------------------------------------|--|

Note that the above includes unfunded schools pressures which will ultimately fall to schools budgets. In line with historic reporting conventions we do not directly reflect schools spending or reserves movements in year (assume neutral overall) but given the scale of the movement due to unfunded pay costs alone it is important to include this explanatory note. Actual individual and then collated, schools reserves movements will not be known until year end.

**At present an anticipated £3.4m of this cost pressure will ultimately fall to schools delegated budgets and schools reserves, not Council reserves for pay alone. (Schools face additional local pressures including unfunded energy cost rises and local circumstances and it would be perfectly reasonable at this stage to assume that total draws from reserves across all schools are at least treble this figure). In that sense the residual overspend above will be fully covered by extra draws from schools reserves. It remains the case as highlighted by the S151 Officer in first quarter reporting to Cabinet that the scale of draws from reserves (both council and now schools reserves) are temporary expediency measures and are simply not sustainable going beyond 2023/24.**

NB Further claims for re-imburement of expenditure in relation to the currently eligible expenditure areas will be submitted to Welsh Government in accordance with their relevant announcements and terms and conditions. Any decision re the nature of and subsequent success or otherwise of any further claims to Welsh Government is unknown at that this stage.

- a. Currently, all revenue grant income from WG in relation to COVID claims for the services has been allocated “back” to departments.
- b. Corporate Management Team have reinforced the expectation that both service and overall net expenditure **must** be, as far as practicable, contained within the relevant limits of the current year budget as set by Council, and certainly within any agreed level of tolerance set by Cabinet on the advice of the S151 Officer, recognising the extreme nature of the covid 19 impact.
- c. As previously mentioned, an early forecast as to the potential outturn on corporate items such as Council Tax collection is estimated to result in a shortfall in collection of £2m.
- d. Included in the projected budget for 2022/23 for other corporate items are capital finance charges. At this stage there is a likely at least a projected £8m underspend on capital finance charges, any underspending will be transferred at year end to the capital equalisation reserve, a strategy previously agreed by Council. The rapid and quick succession of interest rate rises in year has benefitted interest received on balances held. This will be reviewed and updated during the year as emerging capital demands arise (successful Levelling Up bids etc). The implemented capital financing strategy was formulated to smooth the impact of the implementation of the revised MRP policy whilst also taking



advantage of drawing down long term borrowing at historically low interest rates. Any future borrowing will clearly be at materially higher rates and in the short term will need to be supported by draws from the capital equalisation reserve to smooth cost pressures. New borrowing can currently be temporarily deferred as the council has significant cash backed reserve balances and continued material slippage on its capital programme.

- e. There continue to be risks around general inflationary pay and price pressures this year, including increases to the National Living Wage which will significantly impact contractors to the Council in some service areas. It will also put further pressure on the lower end of the current local government pay spine in future years. There has recently been agreement on the 2022/23 national local government pay award (3% budgeted). Teachers' pay has been imposed by Welsh Government but no agreement as yet. As previously mentioned the agreed local government pay offer is a flat rate offer of £1,925 to every spinal point, which equates, to an approximate overall average of 7-8% (higher for the lower spinal points). Current mitigation for the shortfall in funding over this budgeted amount is proposed as utilising the currently unallocated elements of both the Inflation and Contingency provision totalling some £8.5m (see section 3.2 above).
- f. Detailed monitoring of budgets will continue and will be reported to the monthly Departmental Performance and Financial Management meetings.
- g. It remains imperative that sustainable, but sensitive in the ongoing unusual circumstances of Covid 19, base budget savings are found to replace in year one off actions to stabilise the 2022/23 budget ahead of the 2023/24 budget round.

4.2 Additional total costs in the delivery and implementation of the Oracle Fusion ICT project estimated arising directly as a result of delays related to the pandemic will need to be funded over 2022/23 and 2023/24. The Section 151 officer proposes to meet these costs from the Capital Equalisation Reserve and the ICT Development Fund Reserve in both years. A separate update report was considered at Cabinet on 20 January 2022 and appropriate budgetary provisions made. A further update to Cabinet on 20 October 2022 confirmed the use of the ICT Development Fund Reserve.

## 5. Capital Budget

5.1 Expenditure to 31<sup>st</sup> December 2022 is £72.361 million, summarised as follows:

| <b>Directorate</b> | <b>Budget<br/>2022/23</b> | <b>Actual to<br/>31/12/22</b> | <b>% spend</b> |
|--------------------|---------------------------|-------------------------------|----------------|
|                    | £'000                     | £'000                         |                |
| Corporate Services | 2,094                     | 1,362                         | 65.0%          |
| Finance            | 985                       | 0                             | 0.0%           |
| Education          | 12,622                    | 7,494                         | 59.4%          |

|                      |                |               |              |
|----------------------|----------------|---------------|--------------|
| Social Services      | 851            | 674           | 79.2%        |
| Place (General Fund) | 111,078        | 36,762        | 33.1%        |
| Place (HRA)          | 48,613         | 26,069        | 53.6%        |
| <b>Total</b>         | <b>176,243</b> | <b>72,361</b> | <b>41.1%</b> |

Expenditure on major capital schemes is detailed in Appendix C.

It should be noted that the actual spend to 31 December may only have 1 or 2 months costs relating to external invoices. The impacts of substantial price inflation on supplies and materials for schemes is continuing to lead to cost increases across the capital programme. This is under constant review with scheme cost re-engineering, however any material cost increases on individual schemes will need to be agreed through FPR7 procedures.

This will have an impact on the revenue Capital Financing Charges in 2022/23 and future years.

## **6. Housing Revenue Account**

- 6.1 Rent arrears are being closely monitored and are anticipated to increase by the end of the financial year due to the impacts of the cost of living crisis and energy bill increases. However, these increases have been budgeted for and the current level of Bad Debt Provision is sufficient.
- 6.2 Revenue repairs overspent in 21/22 resulting in a budget increase of £1.32m for 22/23 in this area. Spend has been monitored and it is forecasted there will be an overspend of £0.42m for day to day repairs as a result of higher than anticipated building inflation and dealing with the backlog of repairs due to Covid. Day to day voids are forecast to overspend by £0.3m and an additional resource in the form of a new contractor has been sourced, in an attempt to reduce the number of void properties. A further £1.150m increase in 22/23 will be required due to the decreased period in electrical testing (currently every 10 years, new legislation reduces this to every 5 years).
- 6.3 Employee budgets are forecast to be overspent by £0.3455m now that the flat rate pay award has been implemented. All of the above anticipated overspends will be offset by a reduction in the Revenue Contribution to Capital transfer as a result of slippage in the Capital programme.

## **7. Legal Issues**

- 7.1 There are no legal issues contained within this report.

## **8. Integrated Assessment Implications**

- 8.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015

and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English. Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

8.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

8.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

8.4 The Revenue budget of the Council was approved following the application of the corporate Integrated Impact Assessment (IIA) process throughout the Budget setting process. It is essential where service levels are affected by changes to the Revenue Budgets (including savings options) that the IIA process (alongside consultation and engagement as appropriate) is applied to ensure due regard is paid to the potential equality impacts of any proposals prior to decision making.

**Background papers:** - None

**Appendices:**

Appendix A – Revenue Budget Forecast 2022/23

Appendix B – Directors comments on Variances and Action :Plans

Appendix C – Expenditure on major Capital Schemes

Appendix D - IIA

## Appendix A

## REVENUE BUDGET PROJECTION QUARTER 1 2022/23

| <b><u>DIRECTORATE</u></b>                                      | <b>BUDGET<br/>2022/23<br/>£000</b> | <b>PROJECTED<br/>2022/23<br/>£000</b> | <b>VARIATION<br/>2022/23<br/>£000</b> |
|----------------------------------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
| CORPORATE SERVICES                                             | 29,926                             | 33,397                                | 3,471                                 |
| FINANCE                                                        | 32,556                             | 30,125                                | -2,431                                |
| SOCIAL SERVICES                                                | 144,838                            | 144,891                               | 53                                    |
| EDUCATION                                                      | 202,264                            | 206,166                               | 3,902                                 |
| PLACE                                                          | 81,911                             | 85,911                                | 4,000                                 |
| <b><i>NET DIRECTORATE EXPENDITURE</i></b>                      | <b>491,495</b>                     | <b>500,490</b>                        | <b>8,995</b>                          |
| SPECIFIC PROVISION FOR<br>APPRENTICESHIP LEVY/INFLATION        | 4,130                              | 1,000                                 | -3,130                                |
| CONTINGENCY FUND                                               | 8,107                              | 2,650                                 | -5,457                                |
| <i>Assumed additional TTP grant to cover costs</i>             | 0                                  | -3,753                                | -3,753                                |
| <b><i>OTHER ITEMS</i></b>                                      |                                    |                                       |                                       |
| <b>LEVIES</b>                                                  |                                    |                                       |                                       |
| SWANSEA BAY PORT HEALTH<br>AUTHORITY                           | 88                                 | 88                                    | 0                                     |
| CORPORATE JOINT COMMITTEE<br>CONTRIBUTIONS                     | 200                                | 200                                   | 0                                     |
| MID & WEST WALES COMBINED FIRE<br>AUTHORITY                    | 14,692                             | 14,692                                | 0                                     |
| <b><i>CAPITAL FINANCING CHARGES</i></b>                        |                                    |                                       |                                       |
| PRINCIPAL REPAYMENTS                                           | 16,868                             | 13,874                                | -2,994                                |
| NET INTEREST CHARGES                                           | 20,510                             | 15,504                                | -5,006                                |
| <b><i>NET REVENUE EXPENDITURE</i></b>                          | <b>556,090</b>                     | <b>544,745</b>                        | <b>-11,345</b>                        |
| <b><i>MOVEMENT IN RESERVES</i></b>                             |                                    |                                       |                                       |
| GENERAL RESERVES                                               | 0                                  | 0                                     | 0                                     |
| EARMARKED RESERVES                                             | -33,774                            | -24,429                               | -9,345                                |
| <b><i>TOTAL BUDGET REQUIREMENT</i></b>                         | <b>522,316</b>                     | <b>520,316</b>                        | <b>-2,000</b>                         |
| DISCRETIONARY RATE RELIEF                                      | 418                                | 418                                   | 0                                     |
| <b><i>TOTAL CITY AND COUNTY OF SWANSEA<br/>REQUIREMENT</i></b> | <b>522,734</b>                     | <b>520,734</b>                        | <b>-2,000</b>                         |
| COMMUNITY COUNCIL PRECEPTS                                     | 1,697                              | 1,697                                 | 0                                     |
| <b><i>TOTAL REQUIREMENT</i></b>                                | <b>524,431</b>                     | <b>522,431</b>                        | <b>-2,000</b>                         |
| <b><i>FINANCING OF TOTAL REQUIREMENT</i></b>                   |                                    |                                       |                                       |
| REVENUE SUPPORT GRANT                                          | 297,425                            | 297,425                               | 0                                     |
| NATIONAL NON-DOMESTIC RATES                                    | 89,167                             | 89,167                                | 0                                     |
| COUNCIL TAX - CITY AND COUNTY OF<br>SWANSEA                    | 136,142                            | 134,142                               | 2,000                                 |
| COUNCIL TAX - COMMUNITY COUNCILS                               | 1,697                              | 1,697                                 | 0                                     |
| <b><i>TOTAL FINANCING</i></b>                                  | <b>524,431</b>                     | <b>522,431</b>                        | <b>2,000</b>                          |

## Director's comments on budget variances

### Interim Director of Corporate Services

The budget position in the second quarter reports that the Corporate Services directorate is overspending. The TTP service has been extended for the rest of the year and the WVCS programme has been extended to at least December 2022. Both programmes will recover all costs from Welsh Government funding.

| Variance (under -)/over spend                                                    | £000         | Explanation and Action                                                                                                                                                           |
|----------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                  |              |                                                                                                                                                                                  |
| <b>COVID-19 Variation:</b>                                                       |              |                                                                                                                                                                                  |
| Test Trace & Protect Programme (TTP)/Wales Vaccination Certificate Service(WVCS) | 3,753        | This forecast is based on the latest position which includes the extension to the WVCS service. The expenditure is expected to be fully recoverable from Welsh Government Grant. |
|                                                                                  |              |                                                                                                                                                                                  |
| <b>Net COVID-19 variation</b>                                                    | <b>3,753</b> |                                                                                                                                                                                  |
|                                                                                  |              |                                                                                                                                                                                  |
| <b>Other Variations:</b>                                                         |              |                                                                                                                                                                                  |
|                                                                                  |              |                                                                                                                                                                                  |
| Communications & Marketing                                                       | -298         | Underspend primarily due to staff vacancies not being filled                                                                                                                     |
| Digital & Customer Services                                                      | -255         | Underspend primarily due to staff vacancies not being filled and contracts being underspent                                                                                      |
| HR & Service Centre                                                              | 309          | Improved position due to increase in income and approved ERF funding                                                                                                             |
| Chief Legal Officer                                                              | -38          | Underspend primarily due to staff vacancies not being filled and reduced forecast spend in Elections Service                                                                     |
|                                                                                  |              |                                                                                                                                                                                  |
| <b>Total Other Variations</b>                                                    | <b>-282</b>  |                                                                                                                                                                                  |
|                                                                                  |              |                                                                                                                                                                                  |
| <b>Total Forecast Variation</b>                                                  | <b>3,471</b> |                                                                                                                                                                                  |

### **Director of Finance**

The budget position in the third quarter shows the Finance directorate underspending.

| <b>Variance (under -)/over spend</b> | <b>£000</b>   | <b>Explanation and Action</b>                                                                                                                          |
|--------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council Tax Reduction Scheme CTRS)   | -2,000        | Demand led spending which continues to be carefully managed to contain costs and which help ameliorate the unrelated losses on council tax collection. |
| Other variations                     | -431          | Modest underspending across a range of employee and supplies and services costs netted off by the pay award.                                           |
| <b>Total Forecast Variation</b>      | <b>-2,431</b> |                                                                                                                                                        |

### **Director of Social Services**

| <b>Variance (under -)/over spend</b>            | <b>£000</b> | <b>Explanation and Action</b>                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Adult Services, Prevention and Tackling Poverty | 2,398       | Forecast overspends within Mental Health and Learning Disability and External Domiciliary Care. The pay award has eliminated the ability of staffing savings to offset this.                                                                                                                                            |
| Child & Family Services                         | 382         | There are financial pressures due to service growth within Direct Payments and a forecast increased cost for Special Guardianship Orders. The pay award has reduced the staffing underspend that could be used to offset this. One off grant funding has provided some opportunities to offset core funded expenditure. |
| Grants Commissioning and Partnerships           | -205        | Staffing vacancies as well as the use of one off grant funding has enabled us to offset the financial pressures forecast in Q2 due to the pay award.                                                                                                                                                                    |
| Integrated Services for Older People            | -2,496      | We are currently forecasting underspends within the external commissioned sector and within our own staffing establishment.                                                                                                                                                                                             |
| Resources Hub                                   | -26         | All variances in this service are attributable to staffing.                                                                                                                                                                                                                                                             |
| <b>Total Social Services</b>                    | <b>53</b>   |                                                                                                                                                                                                                                                                                                                         |

## Director's Comments

Robust application of in year spending restrictions and particularly the freeze on non-critical workforce recruitment has supported a significant improvement on the overall forecast projected at quarter two and now represents a near balanced position. This is despite the pay award costing the Directorate significantly more than we have been funded.

However we continue to see pressures within Adult Services, Prevention and Tackling Poverty, where we are forecasting overspends within Mental Health and Learning Disability Services. The pressures within Child and Family Services are due to the increased cost of Direct Payments and Special Guardianship Orders and are partially offset by one off grant funding.

Significant underspends in Integrated Services for Older People, where we continue to forecast underspends around External Residential Care and in our workforce, are the primary factor in our ability to offset pressures elsewhere in the Directorate.

Activity within externally commissioned residential and domiciliary care is yet to return to pre pandemic levels. Whilst this has contributed to our ability to balance our budget in the current year, it presents a risk that our future financial performance will deteriorate should activity return to those levels seen previously.

We are very conscious of the negative impact of staffing vacancies and actions to fill critical front line vacant posts continue to be a priority.

## Director of Education

| Variance                                                          | £000           | Explanation and Action                                                                                                                              |
|-------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Covid 19 Variations</b>                                        |                |                                                                                                                                                     |
| FSM Support - Holiday BACS Payments & Food Bags                   | 2,600          | Cash Payments to those pupils eligible for FSM Holiday payments, Study and Post-Exam Leave. Food Bags issued to eligible pupils.                    |
| Paid to Date                                                      | -2,200<br>-400 | Reimbursement Received from WG - Paid up to October 22 so far.<br>Amount due for December Claim                                                     |
| <b>Total Covid 19 variations</b>                                  | <b>0</b>       | December outstanding, assumed no issues                                                                                                             |
| <b>Non Covid Variations</b>                                       |                |                                                                                                                                                     |
| FSM Support - BACS Payments – Bank Holiday.                       | 31             | Local decision Royal Funeral – Not Reimbursable.                                                                                                    |
| Catering & Cleaning - Continuing work towards full cost recovery. | 200            | Full cost recovery established from school SLAs, real living wage and introduction of universal free school meals are likely to add cost pressures. |

|                                                                                                                                            |              |                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Home to School Transport - Cost pressures and undeliverable savings target re-creation of additional walking routes, allocated from Place. | 200          | Action to mitigate scale of demand and cost pressures on School Transport. The overall shortfall in delivery of the MTFP savings targets transferred to Education would be at least £200,000 for 2022-2023.                                                                                                                                                                                   |
| Home to School Transport - Additional cost pressures of additional transport costs.                                                        | 1,000        | Agreement to pay suppliers above contracted rates due to the risk on service contracts failing. Other LAs already acted forcing a response from Swansea. In addition, forecasts estimate a 9.80% increase overall in value of the school transport contracts from September. Likely to stabilise with diesel pump prices currently back to mid-March 2022 levels, and are continuing to fall. |
| Differences in Support Staff Pay Award - Schools Salaries.                                                                                 | 2,748        | LA Funded at 3%. £1,925 (+on-costs) per FTE.                                                                                                                                                                                                                                                                                                                                                  |
| Differences in Teachers Pay Award – Schools/Education Salaries.                                                                            | 714          | LA Funded at 3%. Proposed 5%. Difference of 2%. 2022-2023 impact is £652K for Schools and £62K for teachers employed centrally in Education.                                                                                                                                                                                                                                                  |
| Differences in Education Staff Pay Award                                                                                                   | 1,110        | LA Funded at 3%. £1,925 (+on-costs) per FTE.                                                                                                                                                                                                                                                                                                                                                  |
| One-off managed savings identified in year.                                                                                                | -2,101       | Challenging to identify significant further savings, adhering to only essential spending and vacancy savings.                                                                                                                                                                                                                                                                                 |
| <b>Total Forecast Variation</b>                                                                                                            | <b>3,902</b> | Reflects shortfall on Pay Award which was over and above what was budgeted mitigated by in year savings.                                                                                                                                                                                                                                                                                      |

The Directorate is currently projecting an overspend, with the most significant cost pressure relating to the 2022-2023 Pay Award at £8.8m with the total variance forecast at £4.6m. There is also the potential for this to increase further while an agreement on Teachers' Pay with trades unions is still outstanding. Robust management of in-year spending using restrictions, vacancy management and identification of one-off savings of £2.1m have helped to offset the overspend and absorb some of the underfunded pay award.

In addition, the overspend forecasts have increased due to escalating cost pressures in school transport mainly due to the increase in contract and fuel pricing. A decision to offer top-up payments to retain our current school transport providers was made, preventing further suppliers from handing back their contracted services for Swansea schools. This was agreed at 137k for Summer



and £33k for Autumn Term. There are other areas of identified demand and cost pressures but measures are in place to offset these.

The Council's response to Covid-19 is in line with Welsh Government Guidance and has required significant resource directed at Education. Payments for FSM support are will continue for the remaining Half Term Holiday.

### **Director of Place**

| <b>Variance (under -)/over spend</b>              | <b>£000</b>  | <b>Explanation and Action</b>                                                                                                                                                                                                             |
|---------------------------------------------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Culture, Tourism, Sport & Leisure                 | -305         | Underspend primarily due to staff vacancies                                                                                                                                                                                               |
| Housing and Public Protection                     | 249          | Due primarily to spend and income pressures in Cemeteries & Cremations. Mitigating measures elsewhere will improve year end position.                                                                                                     |
| Economic Regeneration and Planning                | 631          | Due primarily to lower Planning fee income and Swansea Market overspend. Some mitigation before year end but not in full                                                                                                                  |
| Highways and Transportation                       | 319          | Operational and income pressures                                                                                                                                                                                                          |
| Waste Management, Parks and Neighbourhood Working | 1,133        | Historic and predicted pressure - unfunded agency pay award, increased plastic collection costs, increased fleet maintenance costs, increases in diesel costs. Spend mitigation measures in place but will not recover year end position. |
| Corporate Building Services & Director of Place   | -12          | Over-recovery on trading                                                                                                                                                                                                                  |
| Corporate Property Services                       | 62           | Shortfall on income.                                                                                                                                                                                                                      |
|                                                   |              |                                                                                                                                                                                                                                           |
|                                                   | <b>2,077</b> |                                                                                                                                                                                                                                           |
| Unbudgeted 22/23 Pay Award                        | 3,286        |                                                                                                                                                                                                                                           |
| Less part year NI saving                          | -333         |                                                                                                                                                                                                                                           |
| Less further call on Place Contingency            | -1,030       | Underwriting support for partners post pandemic - Freedom Leisure, WNP & JR Catering                                                                                                                                                      |
| <b>Total Forecast Variation</b>                   | <b>4,000</b> |                                                                                                                                                                                                                                           |

The directorate is currently projecting an overspend of £5.0m for the year ahead which includes an unbudgeted pay award of £3.2m for 22/23 offset by a £0.3m part year underspend in Employers National Insurance. This is however based on assumed use of budgeted contingency allocated to the Directorate in response to the ending of Welsh Government funding for loss of income and

other impacts associated with Covid. There is a current estimated £6.6m overspend of which £1.6m has already been mitigated by the use of contingency and a further £1.2m call on contingency by year end will reduce the net overspend to £3.8m - £4.0m. The aim for the next quarter will be to mitigate the remaining £3.8m - £4.0m overspend as much as possible via implementation of a budget recovery plan within services and use of grant wherever possible. Whilst income is recovering in some key areas, the rate of recovery remains slow and is impacting a range of services, fees and charges. Recovery of car park income is a significant unknown and remains supported in year by the Economic Recovery fund. Once ERF ends, this key area of income will be monitored particularly closely and a new charging structure is expected to be introduced from 1<sup>st</sup> April 23. In addition inflationary pressures are being experienced across all areas of the Directorate and there remains significant volatility in the Waste recycles market which is also impacting accuracy of budget forecasting.

As is the case with any large directorate there are some other non Covid related projected overspends, including costs associated with rising price of Utilities, but as described this will be mitigated where possible.

## Appendix C

| <b>Capital expenditure on major schemes to 31 December 2022<br/>(where spend greater than £250k)</b> | <b>£000's</b> |
|------------------------------------------------------------------------------------------------------|---------------|
| <b>Education</b>                                                                                     |               |
| Bishopston Comprehensive School Refurbishment                                                        | 3,184         |
| YG Gwyr Extension                                                                                    | 1,216         |
| YGG Tan y Lan new build                                                                              | 508           |
| Free School Meals scheme - infrastructure / equipment                                                | 1,182         |
| Olchfa Comprehensive School Refurbishment                                                            | 275           |
| <b>Social Services</b>                                                                               |               |
| Child & Family in-house residential scheme                                                           | 404           |
| <b>Digital Services</b>                                                                              |               |
| IT equipment                                                                                         | 610           |
| Data Centre relocation                                                                               | 400           |
| <b>Place</b>                                                                                         |               |
| City Deal - Arena                                                                                    | 965           |
| City Deal - 71-72 Kingsway Offices                                                                   | 7,264         |
| Palace Theatre Redevelopment                                                                         | 2,629         |
| Redevelopment of Former BHS Building                                                                 | 1,772         |
| Hafod Copper Powerhouse scheme                                                                       | 2,194         |
| Cefn Hengoed Community Hub                                                                           | 1,792         |
| 3G Pitch Phoenix Centre                                                                              | 258           |
| Corporate Building Services (Including Schools)                                                      | 5,997         |
| Disability Facility Grants                                                                           | 2,445         |
| Mini Adaptation Grants                                                                               | 414           |
| Local Transport Fund Schemes                                                                         | 633           |
| Active Travel Fund Schemes                                                                           | 561           |
| Highways Carriageway Resurfacing                                                                     | 1,760         |
| Marina Lock-Inner Gate Refurbishment                                                                 | 397           |
| Bridge Repair/Retainment Walls                                                                       | 667           |
| Drainage Works                                                                                       | 354           |
| Purchase of Two Electric Road Sweepers                                                               | 369           |
| Community Play Schemes                                                                               | 871           |
| Essential Playground Works                                                                           | 370           |

|                                            |       |
|--------------------------------------------|-------|
| <b>HRA</b>                                 |       |
| HRA Capital Programme (More Homes Schemes) | 7,856 |
| Wind and Weatherproofing                   | 5,760 |
| External Facilities                        | 4,076 |
| Adaptations                                | 1,839 |
| Boiler and Heating Upgrades                | 836   |
| Electric Rewiring                          | 657   |
| Chimney repairs                            | 575   |
| Balcony Refurbishment                      | 334   |
| Fire and other safety measures             | 1,600 |
| HRA Kitchens & Bathrooms                   | 1,820 |

Total scheme value where spend greater than £250k 64,844

# Appendix D - Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

## Which service area and directorate are you from?

Service Area: Accountancy

Directorate: Finance

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

### (b) Please name and fully describe initiative here:

## Third quarter review of performance against annually set revenue and capital budgets

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

|                                     | High Impact              |                          | Medium Impact            |                          | Low Impact               |                          | Needs further Investigation | No Impact                           |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|-------------------------------------|
|                                     | +                        | -                        | +                        | -                        | +                        | -                        |                             |                                     |
| Children/young people (0-18)        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Older people (50+)                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Any other age group                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Gypsies & travellers                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Religion or (non-)belief            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Sex                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Sexual Orientation                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Gender reassignment                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Welsh Language                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Poverty/social exclusion            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Carers (inc. young carers)          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Community cohesion                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Marriage & civil partnership        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Pregnancy and maternity             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Human Rights                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |

## Appendix D - Integrated Impact Assessment Screening Form

- Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?  
Please provide details below – either of your activities or your reasons for not undertaking involvement**

There is no consultation undertaken on the review of third quarter performance against budget – this is a task for Directors and the Section 151 officer only, as it is just a position statement. Allocation of the budget is decided as part of the budget process, which follows all requirements for consultation

---

- Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?  
Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
Yes  No
- c) Does the initiative apply each of the five ways of working?  
Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
Yes  No

- 
- Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

High risk

Medium risk

Low risk

- 
- Q6 Will this initiative have an impact (however minor) on any other Council service?**  
 Yes  No **If yes, please provide details below**

- 
- Q7 Will this initiative result in any changes needed to the external or internal website?**  
 Yes  No **If yes, please provide details below**

- 
- Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and*

## Appendix D - Integrated Impact Assessment Screening Form

*whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

### Outcome of Screening

**Q9 Please describe the outcome of your screening using the headings below:**

- Summary of impacts identified and mitigation needed (Q2)
- Summary of involvement (Q3)
- WFG considerations (Q4)
- Any risks identified (Q5)
- Cumulative impact (Q7)

**As this report is a review of performance against budget allocated by this authority there is no impact on anyone with a protected characteristic. The review is the duty of Directors and the Section 151 Officer only, there is no wider involvement.**

**Any consideration of the Well-being of Future Generations Act would take place as part of any proposal to set or change budgets, and risks and impacts would be assessed as part of any proposal.**

**The Revenue budget of the Council was approved following the application of the corporate Integrated Impact Assessment (IIA) process throughout the Budget setting process. It is essential where service levels are affected by changes to the Revenue Budgets (including savings options) that the IIA process (alongside consultation and engagement as appropriate) is applied to ensure due regard is paid to the potential equality impacts of any proposals prior to decision making.**

(NB: This summary paragraph should be used in the ‘**Integrated Assessment Implications**’ section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                   |
|---------------------------------------------------|
| <b>Screening completed by:</b>                    |
| <b>Name: Amanda Thomas</b>                        |
| <b>Job title: Chief Accountant</b>                |
| <b>Date: 20/01/2023</b>                           |
| <b>Approval by Head of Service:</b>               |
| <b>Name: Ben Smith</b>                            |
| <b>Position: Director of Finance/S151 Officer</b> |
| <b>Date: 20/01/2023</b>                           |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)

# Agenda Item 9.



## Report of the Section 151 Officer

Cabinet - 16 February 2023

### Medium Term Financial Planning 2024/25 to 2026/27

|                                    |                                                                                                                                                                                                  |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | This Report sets out the rationale and purpose of the Medium Term Financial Plan and details the major funding assumptions for the period and proposes a strategy to maintain a balanced budget. |
| <b>Policy Framework:</b>           | Medium Term Financial Plan and Budget Strategy                                                                                                                                                   |
| <b>Consultation:</b>               | Legal Services, Access to Services, Cabinet Members and Corporate Management Team                                                                                                                |
| <b>Recommendations:</b>            | It is recommended that:-<br><br>1) The Medium term Financial Plan 2024/25 to 2026/27 be recommended to Council as the basis for future service financial planning.                               |
| <b>Report Author:</b>              | Ben Smith                                                                                                                                                                                        |
| <b>Finance Officer:</b>            | Ben Smith                                                                                                                                                                                        |
| <b>Legal Officer:</b>              | Tracey Meredith                                                                                                                                                                                  |
| <b>Access to Services Officer:</b> | Rhian Millar                                                                                                                                                                                     |

#### 1. Introduction and Background

- 1.1. Service and financial planning continues to be undertaken against a backcloth of increasing service pressures and demand. Again this year there is the added pressure and uncertainty as we emerge from the COVID-19 pandemic. This has affected short-term planning and is expected to continue impact the budget in the medium term.
- 1.2. The Medium Term Financial Plan (MTFP) is an overarching strategy that:
  - Covers three future years.



- Forecasts future known additional spending requirements, likely resources and potential funding shortfalls.
- Links to the Council's adopted strategy '**Swansea – Achieving Better Together**' as a means of addressing future budget shortfalls.
- Links to the Council's revised Corporate Plan, "Delivering for Swansea" and the delivery of our top 6 priorities.
- Has due regard to our duties under the Well-being of Future Generations Act 2015.

Future detailed Service planning will need to be undertaken within the financial assessments and forecasts contained within the Medium term Financial Plan.

- 1.3. **It is important to understand that the MTFP does not constitute a formal budget in respect of the period 2024/25 to 2026/27 and as such the indicative annual assumptions included both within the projected spending pressures detailed in Sections 2 and 3 of this report, and the potential funding detailed in Sections 4 and 5, will be subject to a full review and decision making process as part of each of the annual Revenue Budget and Council Tax setting decisions.**
- 1.4. Instead, the MTFP is intended to outline, in broad terms, the specific service and funding issues over the three year period and how the Council will, within its financial constraints, fund its priorities and achieve major service change and savings.
- 1.5. It is essential as a planning and review tool in order to assess, on an ongoing basis, base assumptions around service pressures and progress against delivery of savings.
- 1.6. The plan serves to highlight the trend for increasingly uncertain times ahead in terms of funding for this Council and Local Government in general, as well as the service pressures that the Council faces from rising demands and increases in demography, together with potential funding pressures arising from ambitious plans for capital development.
- 1.7. Importantly, it is essential that the MTFP is a 'living' document that is subject to regular review and revisions as more information becomes available and risks are updated. As such, it is anticipated that, along with close monitoring of the specific budget proposals and savings targets for 2023/24, further reports to Cabinet regarding the MTFP will be made as necessary. In particular, the Mid Term Budget Statement in the autumn of 2023 will provide a key update on the financial outlook and delivery of savings.
- 1.8. The MTFP is one of many documents that are produced in terms of financial planning and control. These include:-
  - The annual Revenue and Capital Budgets of the Authority
  - The annual HRA Capital and Revenue Budgets
  - The formal quarterly budget monitoring reports presented to Cabinet

- The Mid-term Budget Statement intended to be produced each year as an aid to strategic review on progress
  - The Revenue and Capital Outturn Statements taken to Cabinet following year end
  - The Statement of Accounts produced and approved by Council annually.
- 1.9. The MTFP is intended to form a logical flow from an assessment of forecast resources over the medium term through each step of a structured planning process for future years and as such it specifically details:-
- |           |                                                                                               |
|-----------|-----------------------------------------------------------------------------------------------|
| Section 2 | Overview of financial planning environment 2024/25 – 2026/27                                  |
| Section 3 | Detailed spending and resources forecast 2024/25 – 2026/27                                    |
| Section 4 | Strategy to address future savings requirements                                               |
| Section 5 | A summary of the Medium Term Financial Plan and Swansea – Achieving Better Together Strategy. |
| Section 6 | Medium Term Financial planning for Schools                                                    |
| Section 7 | Risks and issues implicit within the MTFP                                                     |
| Section 8 | Use of reserves                                                                               |
| Section 9 | Legal and Equalities implications                                                             |

## **2. Overview of Financial Planning Environment 2024/25 to 2026/27**

- 2.1. The Medium Term Financial Plan (MTFP) report considered by Council on 3<sup>rd</sup> March 2022 included a service and financial overview. This was updated in the budget proposals report given to Cabinet in December 2022 and is updated further below.

### ***Economic Outlook and Prospects for Public Finances***

- 2.2. The announcement of the provisional Revenue and Capital Settlement for 2023/24 resulted in an overall cash increase of £31.182m in 2023/24 compared to 2022/23. There has been one transfer into the settlement so far, in respect of the Coastal Risk Management Programme (CRMP) for Mumbles seawall (£1.556m). It is likely there will be a further transfer in respect of the Fire Authority, and an estimate has been made for this in the updated proposals. There is an increase of just over £29.6m in block grant after allowing for this change. Whilst this is a much appreciated, substantial increase, it needs to be set in the context of the forecast cost of pressures faced by this Council – around £60m for 2023/24 alone.
- 2.3. The current economic climate continues to be uncertain, even more so at the moment, and the Welsh Government acknowledged in their letter to all Local Authorities that local government is facing significant pressures. There is and will continue to be uncertainty over the UK's relationship with Europe and the impact on Wales post Brexit as well as the on-going impact of the COVID-19 pandemic. It is still the case that the Section 151 Officer assumes the Welsh Government budget will be expected to reduce in real terms over the latter period to 2026/27 notwithstanding the short term boosts for the current and next year budget.

- 2.4. Of course, the level of Welsh Government devolved Block Grant is not the only determinant of Welsh Government support for Local Authorities. It is possible that further delegation and transfer of powers and rights from Westminster to Cardiff, together with further tax changing/raising powers, may impose greater or lesser financial risks to Welsh Government than is currently the case. There is also the fact that Welsh Government has to decide on its own cross-sectoral allocation of devolved funding to public services in Wales.
- 2.5. Whilst it is a very positive provisional settlement for 2023/24, there is no certainty that it can continue at such a relatively high level in future years and, in addition to possible real terms reductions in future core funding, the Council also has a wide range of service and demographic pressures which will inevitably impact on demand for services. Equally clearly, there is a potential for further UK Government announcements to impact on costs borne by the Council, particularly in respect of any changes to taxation. The clear example is of the changes to the National Living Wage, which will add around £3.8m to the Council's annual costs.
- 2.6. As mentioned above, a further complicating factor over the period of the MTFP involves proposals to devolve further tax varying powers from Westminster to the Welsh Government. Whilst this notionally impacts primarily on individual taxation, devolution of National Business Rates (NDR) has the potential to impact directly on Local Authority budgets and risk. Latest proposals, for example, are to devolve the cost of welfare provision in Wales to the Welsh Government with all the risk regarding cost movement.
- 2.7. In terms of core revenue funding, the provisional Revenue settlement issued by the Welsh Government in December 2022 gave a detailed settlement level for 2023/24 only, however there was an indication of the likely funding levels for Local Government for 2024/25 also. Whilst only indicative it is nevertheless a very welcome tool to assist future forecasting by Authorities. The likely level of funding indicated is increase of 3.0% for 2024/25 slightly higher than the indication given last year but nevertheless significantly lower than the increases received in the past three years.
- 2.8. All this of course has to be set against a backdrop of significant global instability where events can impact significantly – and at short notice – on the UK economy and the overall UK economic outlook.
- 2.9. For the purposes of the planning assumptions, although future year indications are very helpful, they are only indications at an all Wales level. Swansea's actual increase could be higher or lower than the headline increase. Furthermore it is possible that the all Wales headline figure will be different to the indication, given the Welsh Government is reliant on the funding that flows from the UK Government. As such it is good practice to forecast a range of potential funding scenarios, each of which will result in differing financial forecast for the Council over the period covered. The forecasts will be updated using the mid-term budget statement to Council each year to reflect the best information available on a rolling basis. For the

purposes of the MTFP, forecasts will be based around a range of scenarios between cash flat (0%), an increase of 3% and an increase of 7.6%.

- 2.10. These are scenarios to demonstrate the range of possibilities and are entirely contingent upon UK and Welsh Government future budget decisions.

| Year              | AEF<br>Standstill<br>@ 0%<br>£'000 | AEF<br>Increase<br>@ 3%<br>£'000 | AEF<br>Increase<br>@ 7.6%<br>£'000 |
|-------------------|------------------------------------|----------------------------------|------------------------------------|
| 2024/25           | 0                                  | 12,500                           | 31,700                             |
| 2025/26           | 0                                  | 12,900                           | 34,200                             |
| 2026/27           | 0                                  | 13,300                           | 36,800                             |
| <b>Cumulative</b> | <b>0</b>                           | <b>38,700</b>                    | <b>102,700</b>                     |

Note that the above scenarios are based on the provisional AEF for 2023/24 of £417.775m as announced in December 2022.

The above represents a spread in terms of potential overall increases over the life of the MTFP, which will have to be updated on a regular basis.

**The compounding effect of this key assumption is substantial over the life of the MTFP – the savings ask could be considerably higher if the actual increase is less than the range (of 3% - 2%) used as a planning assumption or considerably less if the settlements are more than assumed.**

- 2.11. During the timescale of the MTFP there are a significant number of events which could impact on some of the major assumptions made. These include:
- Any voluntary or joint arrangements, including regionalisation, in lieu of compulsory Local Government reorganisation in Wales;
  - Wider events that could impact on the Global economic position;
  - The impact of the final exit package agreed by the UK Government in respect of Brexit.
  - The on-going impact of the COVID-19 pandemic

### ***Support for Capital Programmes***

- 2.12. The provisional settlement indicated support for future General Fund Capital programme at a level of £12.882 for 2023/24, an increase of £2.160m compared to 2022/23. This has put the allocation back to where it was before 2022/23, but is still only just sufficient to meet the current budget allocations to cover core commitments

This settlement support is through a mix of General Capital Grant and support for borrowing. Wider capital support elsewhere is however very significant and must be equally recognised.

Planning assumptions over the life of the MTFP are based on unchanged levels of capital support, in the absence of any further indications from the Welsh Government.

As reported elsewhere on this agenda, in the Capital Budget & Programme 2022/23- 2027/28 Report, there is an ambitious capital investment programme. This includes the continued investment in Swansea Schools, through the Band B phase of the 21<sup>st</sup> Century Schools Programme (now called the Sustainable Communities for Learning Programme) and major capital schemes flowing from the Swansea Bay City Deal including the Swansea Arena and the Digital Village. There will also be continued investment in IT across the Council, as well as a significant programme to assist the economic recovery from the COVID-19 pandemic.

The capital investment identified above will attract significant grant funding (21<sup>st</sup> Century Schools and Swansea Bay City Deal), however the programme will still require material unsupported borrowing to enable completion.

- 2.13. The total estimated cost of the Band B schools programme envelope is £149.5m (if the potential aided sector scheme is excluded this amounts to £141.3m). Of this total, £124m is being sought from traditional capital funding, requiring (after allowance for realisable capital and other receipts) a net local funding requirement of £34.5m. The remaining £25.19m (or £16.975m if the potential aided sector scheme is excluded) is expected to be delivered through revenue funding (Mutual Investment Model), which would require no local capital funding contribution but incur an annual charge once the accommodation and facilities are completed. An equivalent local share of the capital cost would be £3.225m although the 19% local contribution would apply to the annual revenue charge.
- 2.14. The capital financing strategy underpinning the capital budget seeks to maximise grants, supported borrowing, contributions and capital receipts in order to minimise the need to borrow. The borrowing requirement identified to support the capital programme is significant and shall require substantial revenue support to service. The revenue implications are reported in the Revenue Budget elsewhere on this agenda. The revenue implications are considered affordable and sustainable over the cycle of the programme.
- 2.15. As indicated above, the position remains that should such capital receipts not materialise the Council will have no option but to consider reductions in spend, seek alternative sources of funding or, as a last resort, consider additional borrowing which shall place a further burden on revenue finances.
- 2.16. In the recent past, the Council has sought to minimise its external borrowing by the use of internal funds, which is entirely consistent with good Treasury Management policy given historic low interest rates on investments and avoiding the 'cost of carry', which has served this Authority well. Sustained

internalisation of borrowing requirement and the significant funding required for the capital programme from 2021/22 onwards and the planned medium term depletion of earmarked Reserves and Provisions means that externalisation of this funding became inevitable. This strategy has proved particularly beneficial to the Council's capital funding strategy as it took advantage of volatility in PWLB rates prevailing and undertook the required PWLB borrowing in 2021/22 at all-time low rates achieved by this Authority, therefore removing interest rate risk for the short medium term.

- 2.17. It remains the case that each year the Council sets aside a significant amount of money (c £16.4m 2021/22) called the Minimum Revenue Provision (MRP) towards the repayment of debt. This provision is in line with the Council's existing MRP Policy, which was revised in 2018/19. This effective repayment will have to be taken into account when evaluating overall borrowing levels and the ability to service any additional borrowing requirement.
- 2.18. The additional capital investment identified above will attract significant grant funding (especially 21st Century Schools and Swansea City Region Deal), however the programme will still require a material unsupported borrowing to enable completion alongside the use of capital receipts as they are realised. Furthermore some schemes have the potential to provide additional revenue streams of property income, or, subject to agreement, in due course, with Welsh Government, retained elements of non-domestic rates or possibly tax increment financing as further powers devolve to Welsh Government and then on to local government.
- 2.19. Notwithstanding this scale of ambition, each major scheme will, as always, be considered on the overall merits of each business case, both in capital cost, and revenue income streams where appropriate. Unsupported borrowing will be undertaken on a phased basis within the overall envelope for affordability.

### **3. Detailed Spending and Resources Forecast 2024/25 to 2026/27**

- 3.1. The Capital Budget report forecasts capital spending and resources in the period covered by the MTFP.
- 3.2. In terms of the Revenue Budget, and in the context of financial planning over the period of the MTFP, the overriding issue is likely to be the need to make significant ongoing savings in Service Expenditure in order to meet known and anticipated spending pressures.
- 3.3. The following table represents the expected funding requirements (based on current policies and decisions) for the period of the MTFP – **these are pressures and must be read in conjunction with the funding plans and indicative solutions set out in 5.4:**

### **Projected Spending Pressures/Funding Deficiency 2023/24 – 2025/26**

|                                                                                               | <b>Note</b> | <b>2024/25</b> | <b>2025/26</b> | <b>2026/27</b> |
|-----------------------------------------------------------------------------------------------|-------------|----------------|----------------|----------------|
|                                                                                               |             | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   |
| Future cost of pay awards                                                                     | 1           |                |                |                |
| - Non Teachers                                                                                |             | 6,828          | 12,637         | 18,550         |
| - Teachers (Local top up required)                                                            |             | 5,900          | 10,400         | 14,800         |
| Impact of 2022/23 pay award                                                                   | 2           |                |                |                |
| - LG Staff                                                                                    |             | 315            | 585            | 863            |
| - Teachers                                                                                    |             | 95             | 176            | 259            |
| National Living Wage – pay bill                                                               | 3           | 1,200          | 2,400          | 3,600          |
| National Living Wage – contracts                                                              |             | 3,000          | 7,400          | 12,400         |
| Increase in Pension Costs                                                                     | 4           | 0              | 0              | 1,400          |
| Teachers Pension Costs                                                                        | 5           |                |                |                |
| - LG Staff                                                                                    |             | 260            | 260            | 260            |
| - Teachers                                                                                    |             | 7,750          | 7,750          | 7,750          |
| Cumulative contract inflation                                                                 | 6           | 0              | 700            | 1,900          |
| Energy Price Inflation                                                                        | 7           | -3,000         | -5,000         | -5,000         |
| Replace Temporary Use of Reserve Funding                                                      | 7           | 8,000          | 9,100          | 9,100          |
| Repay Use of Recovery Fund                                                                    | 7           | 0              | 3,200          | 5,000          |
| Capital charges                                                                               | 8           | 1,000          | 2,000          | 3,000          |
| Use of Capital Equalisation Reserve                                                           | 8           | -1,000         | -2,000         | -3,000         |
| Add to/Reduce Contingency                                                                     | 9           | 215            | -2,527         | -2,486         |
| Demographic and Service pressures                                                             | 10          | 3,000          | 6,000          | 9,000          |
| Mid and West Wales Fire authority Levy ( <b>independently decided by the Fire Authority</b> ) | 11          | 1,230          | 2,230          | 3,230          |
| Corporate Joint Committee Levy                                                                | 11          | 10             | 21             | 32             |
| Council Tax Support Scheme                                                                    | 12          | 1,350          | 2,700          | 4,150          |
| Rebase ICT Cloud costs                                                                        | 13          | 500            | 1,000          | 1,000          |
| Social Care extra money for Adults Services                                                   | 14          | 2,500          | 5,000          | 5,000          |
| Agreed Service Pressures                                                                      | 15          | 422            | 713            | 716            |
| <b>Total known pressures / investment into services</b>                                       |             | <b>39,575</b>  | <b>64,745</b>  | <b>91,524</b>  |
| Total Savings Requirement                                                                     | 16          | -20,301        | -29,571        | -39,850        |
| <b>Net Funding Requirement</b>                                                                |             | <b>19,274</b>  | <b>35,174</b>  | <b>51,674</b>  |
| Aggregate External Finance Increase @ 3%, 2%, 2%                                              | 17          | 12,274         | 20,774         | 29,574         |
| Council Tax Assumption at 5% (see Section 4)                                                  | 18          | 7,000          | 14,400         | 22,100         |
| <b>Total Resource Investment</b>                                                              |             | <b>19,274</b>  | <b>35,174</b>  | <b>51,674</b>  |

Alternative scenarios at differing levels of Welsh Government Support – if AEF turns out to be higher or lower than the planning assumption

|                                                                                                        |  |                |                |                |
|--------------------------------------------------------------------------------------------------------|--|----------------|----------------|----------------|
| <b>Additional Money Available for Investment if 7.6% AEF (i.e. continues at current year increase)</b> |  | <b>19,500</b>  | <b>45,000</b>  | <b>73,000</b>  |
| <b>OR</b>                                                                                              |  |                |                |                |
| <b>Additional Savings needed if 0% AEF</b>                                                             |  | <b>-12,274</b> | <b>-20,774</b> | <b>-29,574</b> |

Notes:

1. *The pay award figures represent a forecast increase of 3% for all staff, reducing to 2.5% over the life of the MTFP.*
2. *There will be a residual impact of the 2022/23 flat rate pay award (inflationary increases, this will merge and become part of the usual pay award figures in future MTFPs)*
3. *Assumed increases due to implementation of National Living Wage - will affect contract prices and lower end of own pay scale.*
4. *The latest forecast from the triennial revaluation of the local government pension scheme effective from 1<sup>st</sup> April 2023 indicates a short term reduction to the contributions made (3.4%). This is expected to end in 2026/27 where the contributions are budgeted to begin to increase once more.*
5. *There will be a national increase in Teachers Pension costs from 2024/25. We have made a prudent, worst-case estimate.*
6. *Reflects the assumed minimum cumulative effect of contract inflation.*
7. *Energy inflationary cost increases are expected to be substantial next year. This large increase has been temporarily funded from reserves, this funding will need to be replaced and repaid over time.*
8. *The additional estimated borrowing costs arising from the new and regional capital programme. Cabinet have prudently built up earmarked reserves to reduce the impact of increased capital charges in respect of new schemes, and targeted use of these reserves is now being built into the MTFP.*
9. *A small sum to be added to the contingency to allow for changes to (for example) the estimates on levies. Contingency will be reduced over the latter years of the MTFP reflecting the assumption that current economic turbulence will reduce over time.*
10. *Assumed Demographic and Service pressures mainly around Schools and Adult and Children's Services.*
11. *Estimated increases for Fire Authority Levy and Corporate Joint Committee Levy.*
12. *Reflects the assumed cost of Council Tax Support Scheme costs based on Council Tax increases as a planning assumption only at this stage.*
13. *To rebase permanently some demand led pressures in Corporate Services predominantly around ICT cloud provision.*
14. *Following the introduction of the new Social Care Levy additional funding for social care has been allocated.*
15. *The future year impact of service specific pressures agreed as part of the suite of 2023/24 budget reports.*



16. *The future year impact of service specific savings agreed as part of the suite of 2023/24 budget reports.*
17. *Reflects the Welsh Government provisional guideline assumption for 2024/25 of a 3% increase in 2024/25. With 2% estimated from 2025/26 onwards.*
18. *Reflects the Council Tax assumption of 5% as detailed in Section 4.*

3.4. As stated, this forecast contains limited provision for increases in net service costs, in particular there is no provision for :-

- Any increase in costs arising from decisions on Government taxation – most significantly increases arising from landfill tax costs.
- Corporate costs in excess of budget provision in respect of issues relating to higher than assumed employee costs (higher than 3% (2024/25) and 2.5% (future years) pay awards), or bigger movements in minimum statutory wage.
- Any one off costs arising from changes to service delivery across the Council, including transformational change.
- Any general inflation provision relating to non-contractual issues.
- Any increased costs or reductions in income arising from changes to welfare reform the lifetime of the MTFP.
- Any budget changes arising from further regionalisation of any services.
- Any increases in Capital financing charges beyond those allowed for which is dependent on the Council achieving a level of capital receipts as detailed within the Capital budget submitted for approval elsewhere on this agenda and is wholly dependent on decisions around potential externalising of internal borrowing.
- Future funding decisions in respect of protection for Social Services or Delegated Schools' budgets which may be specified by the Welsh Government in future budget settlements.
- Any potential downward movement in service specific grants, some of which we have experienced at short notice in the past.
- Any ongoing increase on non-funded schemes including the Teachers' Pension Scheme at a future date.

3.5. The Local Government and Elections (Wales) Act 2021 is now in force and there is likely to be financial implications associated with implementation of certain duties under the Act.

#### 4. **Strategy to Address Future Savings Requirements: Swansea – Achieving Better Together**

4.1. The scale of the financial, demographic and sustainability challenge requires the Council to continue to adopt a radically different approach to previous years. An approach that focused on:

- *The core future purpose of the Council*
- *The transformation of services and the model of delivery*
- *Greater collaboration with other councils and local organisations, community groups and residents*
- *And, above all, sustainable solutions with prevention at its heart.*

This ambition was set out in *Sustainable Swansea – fit for the future*, our long-term plan for change, underpinned by our Innovation Programme.

- 4.2. The Sustainable Swansea Strategy was agreed by Cabinet and reported to Council in October 2013. The Delivery Programme was approved by Cabinet on 29 July 2014 and was subject to further review and refresh at Cabinet on 16<sup>th</sup> July 2015.
- 4.3. A major refresh undertaken in 2020 recognised that it has successfully delivered the bulk of £70m worth of savings asks, and enabled the Council to maintain services, performance levels and protect jobs during a period of austerity. However, there are now new challenges and opportunities arising from the new Local Government and Elections (Wales) Act as well as a changing national political landscape and economic uncertainty including COVID-19 and post-Brexit risks.
- 4.4. Thus, in October 2020 Cabinet approved the new Swansea - Achieving Better Together Transformation Strategy and Programme Framework to strengthen the changes needed due to current circumstances. The new programme builds on and strengthens the Sustainable Swansea approach, and the strategic aims of Swansea – Achieving Better Together will now focus on:
  - The core purpose of the Council
  - Transforming services to be effective and efficient
  - Greater collaboration with other Councils, organisations, community groups and residents, with a focus on regionalisation
  - Balancing the budget for current and future years
  - Greater and more meaningful engagements with our residents and community
  - To meet aspirations and targets within the Medium Term Financial Plan
- 4.5. In November 2022 there was a further report to Cabinet detailing the Council's transformation strategy, vision and goals for 2022 – 2027. Once the detail is finalised over the next few months this will then replace Sustainable Swansea and Achieving better together as the core transformation document underpinning the medium-term financial plan.

#### **Our Service Priorities for 2023/24 and the MTFP Period**

- 4.6. Although the Council is currently focused on a plan to save an additional £70m over the period of the MTFP (since revised as per the December 2022 Budget Proposals report to Cabinet), it is vital to continue to retain Member and management focus on the significant proportion of our budget that remains. Our gross budget is over £820m (excluding Housing Services (HRA)) and we spend just over £1.9m a day on services to residents.
- 4.7. The Council has clear and strong long term ambitions for Swansea and the proposals for savings must be seen in the context of the following:
  - The Council's top 6 priorities and emerging new corporate plan for services to help deliver the well-being of future generations

- The strategic aims of Swansea – Achieving Better Together – which embrace all we do
  - The application of the budget principles – which guides decision making
  - The ongoing and sustained real terms reduction in external funding and the need to meet known budget pressures.
  - All set within the context of emerging from the current COVID-19 pandemic.
- 4.8. The Council’s overall aim is to protect frontline delivery of services as far as possible. However, whilst many things are important, not everything can be a priority. It is important, therefore - particularly in the current climate of significantly stretched real term resources - to set out clearly our expectations on all services and relative priorities for funding in the context of the budget reductions that we face.
- 4.9. This requirement is illustrated sharply by the “gearing” effect of savings on services. In other words, if our current savings requirement (excluding schools) over three years was applied, for example, just to Place Services, the budgets for this area would be completely removed. Consequently, other areas such as Education and Social Care also need to face some relative real terms level of reduction over the next 3 years, given the relative size of their budgets. Equally, however, if the level of funding for 2023/24 were to be sustained in every future year, then these planning assumptions could be very fundamentally reshaped, and savings asks reduced or possibly even eliminated.
- 4.10. A statement of budget priorities and policy statements that flow from this is set out in **Appendix A**. This statement follows an assessment of services in relation to the following criteria:
- **Invest:** Services where the Council will increase levels of investment
  - **Maintain:** services where the Council will broadly maintain current level of spend in the medium term
  - **Remodel:** those services where the Council will reduce the current level of spend over the medium term.

Regardless of relative funding levels, there is also an absolute requirement that **all services** must transform and strive for maximum efficiency.

**Potential Funding 2024/25 to 2026/27**

- 4.11. The Revenue Budget report detailed elsewhere on this agenda identifies possible savings for the 2023/24 financial year. Some of these proposals will generate further savings in future years and so will contribute to the future years’ savings requirement.
- 4.12. In addition, there are a number of service specific savings proposals that are being considered – it should be noted that these have not yet gone out to consultation, but will do so at the appropriate time.
- 4.13. These are detailed in Appendix B, but are shown in summary below:

|                                                                  | 2024/25<br>£'000 | 2025/26<br>£'000 | 2026/27<br>£'000 |
|------------------------------------------------------------------|------------------|------------------|------------------|
| <b>Future Year Impact of current (2023/24) proposals:</b>        |                  |                  |                  |
| Corporate Services                                               | 150              | 153              | 153              |
| Finance and CTRS                                                 | 1,400            | 1,590            | 2,590            |
| Education                                                        | 226              | 491              | 491              |
| Social Services                                                  | 500              | 925              | 1,300            |
| Place                                                            | 1,406            | 2,626            | 3,272            |
|                                                                  | <b>3,682</b>     | <b>5,785</b>     | <b>7,806</b>     |
| <b>Future Proposals to be Considered:</b>                        |                  |                  |                  |
| Corporate Services                                               | 964              | 1,577            | 2,125            |
| Finance and CTRS                                                 | 0                | 0                | 0                |
| Education                                                        | 100              | 100              | 100              |
| Social Services                                                  | 3,188            | 4,848            | 8,298            |
| Place                                                            | 1,068            | 2,167            | 3,827            |
|                                                                  | <b>5,320</b>     | <b>8,692</b>     | <b>14,350</b>    |
|                                                                  |                  |                  |                  |
| <b>Sub-total of Service Specific Savings (as per Appendix B)</b> | <b>9,002</b>     | <b>14,477</b>    | <b>22,156</b>    |
| Schools*                                                         | 11,299           | 15,094           | 17,694           |
| <b>Total Savings</b>                                             | <b>20,301</b>    | <b>29,571</b>    | <b>39,850</b>    |

\*Schools savings and pressures fall entirely to the delegated budgets and are shown separately as these are decisions for schools to take

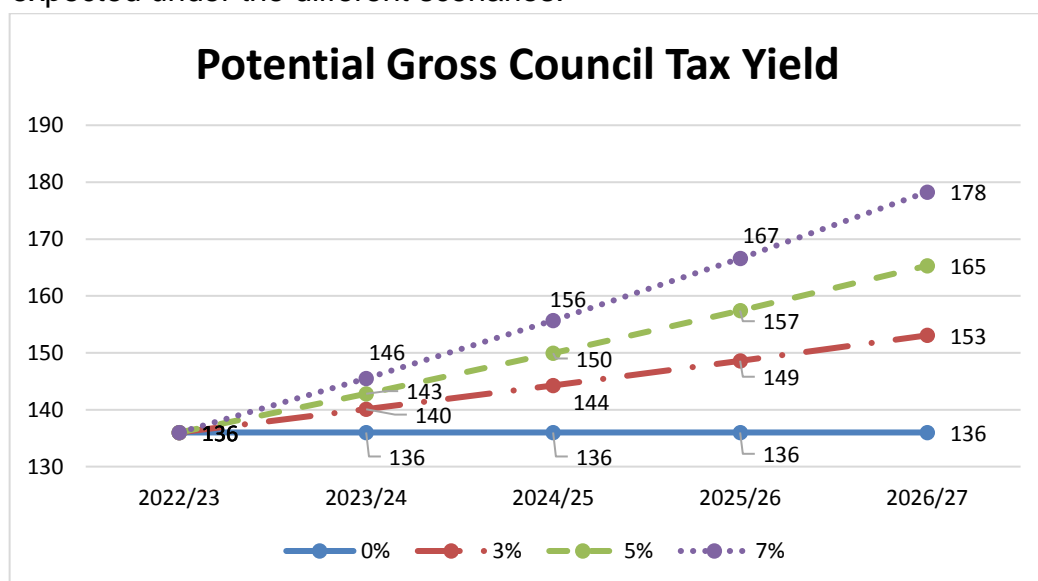
- 4.14. In addition to savings proposals, Council Tax levels must be considered as part of the MTFP. Budgeted gross council tax yield for Swansea for 2022/23 is £136,142,000, which we have rounded to £136 million. This remains the gross yield on Council Tax and it must be borne in mind that any Council Tax increases results in a corresponding increase in the local cost of the Council Tax Support Scheme, (which has been taken account of in the spending pressures above). The Council Tax Base has been assumed to decrease for 2023/24.
- 4.15. Policy decisions on the level of Council Tax will of course remain a matter for full Council to determine on an annual basis and it is always relatively challenging to set out a published range of Council Tax options years in advance. Therefore, what follows can only be an indicative assumption to give a plausible range of planning scenarios, to aid the overall understanding of the financial plan.

It should be noted that lower tax increases in earlier years will (all other things being equal) result in higher increases in later years, and as the outlook is for lower settlements in future, persistent, high inflation and an immediate cost of living crisis, the timing of any rises must be weighted and due regard given to the Well Being of Future Generations Act.

The following stylised planning assumptions are made:

- As in the past, there is no formal published upper limit to annual Council Tax increases and therefore no upper limit for planning assumptions, but for modelling purposes an upper limit of 7% is included.
- Given the sheer scale of spending reductions needed to set a future balanced budget it is considered equally implausible (albeit theoretically not impossible) that Council Tax levels will be cut. This provides a lower limit of 0% per annum;
- As middle ground options 3% and 5% are also modelled.
- The stylised assumption included for planning purposes is 5%.

The chart below demonstrates the different levels of Council Tax that could be expected under the different scenarios:



## 5. Summary of the Medium Term Financial Plan and Swansea – Achieving Better Together Strategy

- 5.1. The summary anticipated savings requirement over the period of the Medium Term Financial Plan is shown below and is extracted from the table shown at paragraph 3.3 of this report.

|                                              | <u>2022/23</u><br><u>£'000</u> | <u>2023/24</u><br><u>£'000</u> | <u>2024/25</u><br><u>£'000</u> |
|----------------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b><i>Cumulative Savings Requirement</i></b> | <b>20,301</b>                  | <b>29,571</b>                  | <b>39,850</b>                  |

- 5.2. The assumptions surrounding the compilation of these figures are given in detail within the table at paragraph 3.3 above and, in particular, are heavily dependent on the assumption of an ongoing increase in AEF for each of the three years covered by the MTFP.

Clearly there is the risk of significant volatility in future years arising from:

- The cumulative effect of any variation in these assumptions in early years
  - The uncertainty around assumptions surrounding the latter years.
- 5.3. Notwithstanding that position, in addressing the ongoing budget deficit, the Council has a number of actions that it can take in terms of achieving a balanced budget. These include:
- Realisation of future years' budget savings arising out of previously agreed savings and 2023/24 consultation proposals
  - Additional Directorate/Service Area targeted savings as detailed in paragraph 4.13 of this report
  - Potential rises in Council Tax levels, as estimated in paragraph 4.15
- 5.4. Bringing these items together, and assuming a balanced position for 2023/24, the following indicative position is envisaged:

|                                                                                                                                | <u>2024/25</u><br><u>£'000</u> | <u>2025/26</u><br><u>£'000</u> | <u>2026/24</u><br><u>£'000</u> |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b><i>Cumulative savings requirement</i></b>                                                                                   | <b>20,301</b>                  | <b>29,571</b>                  | <b>39,850</b>                  |
| <b><i>Future year impact of current service savings proposals</i></b>                                                          | <b>-3,682</b>                  | <b>-5,785</b>                  | <b>-7,806</b>                  |
| <b><i>Future year proposals to be considered</i></b>                                                                           | <b>-5,320</b>                  | <b>-8,692</b>                  | <b>-14,350</b>                 |
| <b><i>Schools savings</i></b>                                                                                                  | <b>-11,299</b>                 | <b>-15,094</b>                 | <b>-17,694</b>                 |
| <b><i>Remaining Gap at 3%/2%/2% AEF</i></b>                                                                                    | <b>0</b>                       | <b>0</b>                       | <b>0</b>                       |
| <b><i>Surplus at 7.6% AEF – which would be available to re-invest, reduce savings and/or lower council tax assumptions</i></b> | <b>19,500</b>                  | <b>45,000</b>                  | <b>73,000</b>                  |

- 5.5. In terms of addressing the overall budget, there are further options available to the Council that are not yet firm enough to be able to be included in the table above, but nevertheless are being worked through and considered for future inclusion.
- 5.6. These options include reviewing services and funding provided to schools, potential (but no commitment or decision yet to) inclusion of a Tourism Tax and potentially higher or lower than 5% increases to Council Tax. To some extent decisions around these proposals will also be reliant on the annual settlements received from the Welsh Government.
- 5.7. The Council will use the overarching Swansea – Achieving Better Together Strategy when considering all options.

## 6. Medium Term Financial Planning for Schools

- 6.1. The purpose of this section is to highlight the estimated effect of specific spending pressures and potential specific grant reductions on Schools' budgets in the light of funding assumptions detailed elsewhere in this report.
- 6.2. More specifically the Detailed Budget report to Council in respect of the 2023/24 Revenue Budget outlines the specific budget proposals for that year.
- 6.3. It is important to note that, given the size of the potential budget deficit facing the Council over the period of the MTFP, it is envisaged that Schools will be required to make some significant contribution to savings targets during this period. **It should be noted that this is directly linked to the assumption that Teachers Pension costs will increase significantly from 2024/25 (Estimated £7.5m - £8.0m), currently unfunded by either the UK or Welsh Governments. Should funding be included for this cost increase then this will, naturally, reduce the pressure on Schools to make reductions.**
- 6.4. Aside from this, the Council will continue to prioritise education funding and spending pressures and take into account the extent to which these can be met on annual resources available and competing spending needs. It should be noted that at present there is a contribution from Schools built into the budget forecast, however to some extent although this is a planning necessary intention of the Council if settlements prove low, whether this will happen in practice will be entirely reliant on future settlements from the Welsh Government and are likely to be reduced or removed if settlements prove higher than the central planning assumption for AEF.
- 6.5. It is essential that we continue to engage with Schools on a strategic review of provision as simply cutting budgets in real terms without otherwise doing so will simply not work.

## 7. Risks and Issues Implicit within the MTFP

- 7.1. As stated throughout this report the financial risks facing the Council include:
  - Whilst we have certainty for two years from the Welsh Government for indicative settlements, the increases are front loaded and thus remain volatile, leading to much harder temporal choices over council tax levels between years.
  - Assumptions around the core funding support from the Welsh Government being incorrect, particularly if overstated.
  - Ongoing reductions in specific grants that require equivalent reductions in expenditure, often at short notice, which are both uncertain and unpredictable in terms of timing.
  - Delay or non-delivery of key savings strands which are essential to meet the projected service reductions identified in this report.
  - Significant further changes to Central Government fiscal policy with regard to the Public Sector.

- The introduction of new legislation and statutory requirements that impose additional burdens on the Council.
  - The ongoing practical impact of legislation such as the Wellbeing of Future Generations (Wales) Act 2015.
  - The ongoing (and unknown) impact of the COVID-19 pandemic.
- 7.2. The table at paragraph 3.3 of this report outlining the potential budget shortfalls over the period of the MTFP contains a significant number of assumptions around future cost pressures, particularly with respect to pay awards, which may have a significant cumulative effect if not settled at the levels indicated. This has the potential to change significantly the projected deficit towards the end of the planning period.
- 7.3. The assumptions contained within the plan specifically assume:
- The Council will deliver a balanced revenue outturn in respect of the current and future financial years and, to that extent, no deficits are identified that would require additional funding in future years.
  - The Capital programme is constrained to the extent that the maximum additional debt charges that are incurred (which should be considered temporary until capital receipts are achieved) do not exceed the sums included in the MTFP. In particular that any additional borrowing requirements in respect of aspirational capital development will be met from additional income generation from such schemes or a combination of funding from the public and private sector that evidences financial sustainability.
  - The Council continues to achieve its ambitious savings targets.
- 7.4. It is assumed that there will be substantive change to the structure of service delivery, including additional regionalisation of services. It is however far too early to financially quantify and describe those changes so they are explicitly excluded at present.

## 8. **Use of Reserves**

- 8.1. The purpose of this section is to highlight the current planned use of General Reserves to support the 2023/24 Revenue Budget and to outline the relationships between known risks and earmarked reserves and its effect on planning assumptions. An analysis of the current position is given in paragraphs 8.3 to 8.8 below.
- 8.2. Conclusions and recommendations in respect of reserves usage are given in paragraph 8.9 below.
- 8.3. The current 2022/23 Revenue Budget was set with no planned use of General Reserves.
- 8.4. In terms of planning assumptions there is no assumption of ongoing use of or availability of General Reserves in 2023/24 or beyond.



- 8.5. Whilst the Council maintains a number of specific reserves they are not factored into planning assumptions because they are either ring-fenced under statute or scheme of delegation (e.g. Schools' delegated reserves), or they are earmarked to meet known liabilities. (The exceptions to this are the already agreed use of the Capital Equalisation Reserve for targeted capital investment and the temporary use of the Economic Recovery Fund as an Energy Inflation Fund).
- 8.6. In October 2022 Council received and approved a report which re-allocated earmarked reserves based on known changes to the risk profile of the Council and it is anticipated that a similar report will be taken on an annual basis.
- 8.7. Allowing this consideration outside of the annual budget process, and after previous year outturn is known, will give elected Members better opportunity to reflect on the level of General and earmarked reserves in line with the guidance detailed in paragraph 8.10 below.
- 8.8. In addition, various sections highlighted throughout this report refer to significant ongoing risk around current activities.
- 8.9. It remains the position that until these significant risks are fully mitigated then any additional planned use of earmarked reserves to support general revenue budget deficits would be inappropriate.**
- 8.10. On 12<sup>th</sup> January 2016 the Welsh Government issued guidance to Local Authority Members on matters to be taken into consideration when scrutinising the level of Local Authority Reserves held at any point in time. This has been circulated to all Members and any recommendation relating to the holding or release of reserves will be undertaken with reference to the principles underpinning best practice as issued by the Chartered Institute of Public Finance and Accountancy and this guidance.

## 9. **Legal and Equalities Implications**

### **Legal Implications**

- 9.1. There are no legal implications arising from this report.

### **Integrated Assessment Implications**

- 9.2. The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.

- Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 9.3. The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'. Appendix D is a letter from the Future Generations Commissioner for Wales.
- 9.4. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language
- 9.5. The budget reductions implicit in the 2022/23 approved budget were subject to the corporate and appropriate Integrated Impact Assessment process, which was considered as part of the overall budget process.
- 9.6. Where additional budget savings requirements are identified as part of the 2023/24 and MTFP budget processes they will be subject to the integrated impact assessment process (including relevant consultation and engagement) as part of the budget considerations for those financial years.

**Background Papers:** None

**Appendix A** Statement of Budget Principles and Service Budget Priorities

**Appendix B** Savings Proposals

**Appendix C** Integrated Impact Assessment Screening Form

**Appendix D** – Letter from the Future Generations Commissioner for Wales.

**Statement of Budget Principles and Service Budget priorities**

**GENERAL PRINCIPLES FOR ALL SERVICES**

1. A number of principles apply to all the Council's services, regardless of the assessment of relative priorities. These are set out below.

**Budget Principles**

2. The Council has adopted a number of Budget Principles that underpin the budget strategy:

|                                 |                                        |
|---------------------------------|----------------------------------------|
| <i>Everything is included</i>   | <i>Increased income</i>                |
| <i>Engagement</i>               | <i>Different models of delivery</i>    |
| <i>We will have less money</i>  | <i>Supporting those at risk</i>        |
| <i>Demonstrating efficiency</i> | <i>Evidence base</i>                   |
| <i>Cutting Red Tape</i>         | <i>Sustainable outcomes/prevention</i> |
| <i>Full cost recovery</i>       | <i>Personal Responsibility</i>         |

All Services must apply and be consistent with these Budget Principles.

All Services are also required to address these Principles as part of business planning and developing savings proposals.

**Service Transformation and Efficiency**

3. There are expectations upon all Services in relation to transformation and efficiency, which must be met regardless of relative priority for funding:

|                       |                                                                                                                                                                                                                                                                                           |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Transformation</b> | <p>All services must identify and progress transformation opportunities that will:</p> <ul style="list-style-type: none"> <li>• deliver better outcomes</li> <li>• develop a sustainable delivery model, fit for the future</li> <li>• reduce costs and secure value for money</li> </ul> |
| <b>Efficiency</b>     | <p>All services must continue to strive for efficiency, in particular:</p> <ul style="list-style-type: none"> <li>• reduce management and other overheads</li> <li>• maximise opportunities for increasing income from charges, trading and external sources</li> </ul>                   |

|  |                                                                                                                                                                                                                                                                                 |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <ul style="list-style-type: none"> <li>• reduce the cost of purchasing supplies and services</li> <li>• work with others to achieve better outcomes</li> <li>• look for opportunities for residents or community groups to take or share responsibility for services</li> </ul> |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### 4. STATEMENT OF BUDGET PRIORITIES: SCHOOLS AND EDUCATION

Education is continuing to deliver a consistent and coherent budget strategy across delegated and non-delegated budgets.

Budget proposals offer additional funding to schools which should be sufficient to meet currently anticipated pay inflation, and wider pressures, such as Additional Learning Needs.

Whilst recognising the relative priority given to Education (and Social Services), further significant savings cannot be made in future years without reductions in real terms in the Schools Delegated Budget.

Moreover, further significant cuts in the remaining non-delegated education budgets will have a direct impact on areas of pupil specific support and further reduce the support that can be provided to schools from the department against a context of increasing demands and expectations.

At the same time, greater focus is being given to the regional delivery of services, with a fundamental review of those services being delivered through the new regional partnership in the coming years.

A continuing move towards a fundamentally different relationship between schools and the local authority is required, reflecting the challenges and opportunities presented by the national changes in curriculum and support for additional learning needs. By its very nature, this is a long-term strategy. The future model for Education provision includes:

- Radically changing the way support for pupils is provided – more flexible earlier intervention and support, as local as possible
- A consistent approach to support the needs of all pupils through a continuum of support
- Integrating and aligning services with Social Services and other agencies such as Health
- Working more closely with communities, recognising the role of schools at the heart of their communities, seeking to minimise transport costs and, wherever feasible, co-locate other services on school sites to aid sustainability (where revenue and capital funding streams are at least sufficient to cover the costs involved).

We will deliver this through:

- Coherent revenue and capital strategies
- Optimising the level of delegation of funding and responsibilities to schools to allow the greatest flexibility in the use of the available resources

- Supporting earlier intervention and support for pupils:
  - Implementing the changes that underpin the ALN Act
  - Providing increasingly targeted specialist support, reflecting the findings of the independent behaviour review
  - Building further capacity in mainstream educational provision and in county specialist provision
  - Empowering and facilitating more collaborative school-to-school support
  - Ensuring delivery of Out of County places for specialist provision are commissioned jointly with other services to seek to maximise economies of scale.
- Delivery of further significant financial savings through a continuing coherent 'one education budget' strategy:
  - Retaining an absolute core level of statutory and regulatory provision at the centre
  - Ensuring a full recovery of the costs of any support provided to schools above this level and providing the minimum level of Council funding required to fully access the remaining available specific grants

Ceasing financial contributions to support the few remaining areas of discretionary educational provision.

## **5. STATEMENT OF BUDGET PRIORITIES: SOCIAL SERVICES**

The Social Services Directorate has faced significant challenges over recent years, however has achieved all of the existing Medium Term Financial Plan (MTFP) target savings commitments to date and maintained a high level of delivery.

COVID 19 has had an impact on the way we deliver services for children and families and an even more significant impact on our population of adults requiring care and support and their families and carers. The pandemic has also highlighted the crucial role community based early help and prevention and tackling poverty services play in supporting the most vulnerable members of our communities.

The whole directorate has become even more focussed on ensuring a joined up, strengths and assets based approach to working with and in communities with targeted support for the most vulnerable, especially important in current times seeing increased cost of living pressures.

Future pressures on Social Care funding is expected, with increasing demand and service costs in relation to increased inflation, and the challenge ahead to transform services to become more sustainable and meet future need and demand in the most effective and efficient way.

The proposed settlement should assist in meeting the additional pressures such as increased costs of externally commissioned care in line with inflation and a commitment to achieving the Real Living Wage, as well as embarking on a transformation and investment in some front line services positively impacting those needing care and support and our communities.

The main areas of priority are:

- Doing what matters to make things better for children, young people, and families
- Maintain the current Safe LAC Reduction Strategy for children and young people
- Continue our investment in preventative services to reduce the number of looked after children and achieve the planned savings and service improvements
- Taking into account changes necessary to mitigate the impact that COVID-19 has had on the well-being of vulnerable children, families and staff.
- Continue to work across with regional colleagues to ensure clear and seamless pathways for those needing care and support
- Further develop the agreed optimum model for adults, by embedding the following;
  - Better prevention and early help
  - A new approach to assessment
  - Improved cost effectiveness
  - Working together better
  - Keeping people safe
- Further embed tackling poverty services and prevention approaches across the Directorate and wider Council
- Continue to ensure we maximise the use of the various grant income streams available to delivery priorities

We will ensure we maintain a focus for the coming year on prioritising improvements to services that best support individuals, families and carers in recovering from the huge impact that COVID-19 and now cost of living rises has had and is having on their lives.

The next phase of recovery into 2023/24 will have a heavy focus upon financial efficacy; the transformation programmes will support the Medium Term Financial plan savings targets for Social Services. We will monitor progress as part of governance arrangements in monthly Social Services Performance and Financial Monitoring meetings.

## **6. STATEMENT OF BUDGET PRIORITIES: PLACE SERVICES**

For the Place Directorate 22/23 has been a challenging year as a result of ongoing pressures arising out of COVID-19 which has resulted in increased demands on the Directorate and an impact on reduced / slow to recover income streams some of which will continue through into 23/24. However, the proposed settlement will go some way towards assist in alleviating the pressures allowing continued investment in many of its front line “place based” services positively impacting on the environment and communities the Council serves. The main areas of priority are:

- Prioritisation of key corporate objectives including the regeneration of the City Centre, delivery of the city deal and its biodiversity and climate emergency/ Net Zero objectives.

- The continued new operation of the new Digital arena, delivery of the Kingsway digital village project and facilitation of the Phase 2 city centre development with our strategic development partners
- Deliver on a range of ongoing actions arising out of the Council's recovery plan with particular focus on the economic recovery, facilitating private sector investment and tourism
- Maximise commercial opportunities and income generation for services and assets to offset income losses
- Seek opportunities for community involvement in the delivery of services and community enablement
- Invest where necessary to maintain vital services including front line delivery of environmental services
- Work within the affordability of the housing revenue account to increase the speed of delivery of the more council homes and commence pilot schemes to inform the delivery of the Welsh Housing Quality Standard 2 decarbonisation programme.
- Maximise the opportunities brought by modernising terms and conditions across the council
- Adequately resource the significant council wide capital programme including highways, infrastructure and new schools and respond to the current recruitment challenges to aid delivery
- Seek to deliver on the Councils' homelessness strategy
- Seek to maximise the success of grant bids maximising the beneficial use of council resources
- Grow the capacity to support local businesses and suppliers through the circular economy principles and maximise the support available for inward investment
- Working regionally with colleagues to progress delivery of the Regional Economic Delivery Plan and Regional Transport Plan.

## **7. STATEMENT OF BUDGET PRIORITIES: CORPORATE SERVICES**

The Corporate Services Directorate will continue to deliver high quality and cost-effective core services, supporting frontline service delivery and the achievement of better outcomes for our residents, customers and visitors.

The Corporate Services Directorate supports the political and managerial leadership of the council to set the strategic direction and enable the organisation to deliver it, responding to external challenges including financial pressures and changes in the operating environment.

To be able deliver the above our focus must be to:

- Manage demand for central support services by supporting the workforce to have the right skills for the future, particularly managers
- Focus on the priorities within the functions of the corporate centre such as good governance (including corporate performance management, transformation, digital services, human resources, organisational development, communications, engagement and customer services

- Look for opportunities for collaboration and co-production models with other organisations and partners, in order to maintain support services as efficiently as possible
- Improve the experience of our customers, including enhancing digital access channels while reducing costs where possible
- Maintain overall investment in ICT and digital transformation, on a business case basis, to support the transformation agenda, including on-line self-service, agile and mobile working, and direct service innovation.
- To continue to evolve the services as the operating environment changes to ensure we can be agile and responsive to change.
- To support the development of the council's workforce and ensure we can respond to the regionalisation agenda and maximise the opportunities it presents.

## **8. STATEMENT OF BUDGET PRIORITIES: FINANCE**

The Finance Directorate will deliver high quality and cost effective core services, supporting frontline service delivery and achieve better outcomes for our residents, customers and visitors, as well as leading on the General Power of Competence (GPOC) and commercialism agendas.

The Finance Directorate supports the political and managerial leadership of the council to set the strategic direction and enable the organisation to deliver it, responding to external challenges especially financial pressures and changes in the operating environment.

To be able deliver the above our focus must be to:

- Strategically manage the revenue and capital finances of the whole Council having due regard to the medium and longer term and the Wellbeing of Future Generations as well as the immediate and forthcoming budget cycles.
- Manage demand for financial support services by supporting the workforce to have the right skills for the future, particularly managers
- Focus on the priorities within the functions of the corporate financial centre such as financial control, financial advice, control of Council Tax and benefits, and commercial capability.
- Look for opportunities for collaboration and co-production models with other organisations and partners, in order to maintain support services as efficiently as possible

To continue to evolve the services as the operating environment changes to ensure we can be agile and responsive to change



**Part 1 – Savings Proposals**

| Director                                          | Head of Service                                     | Published Description                                                                                                           | Saving<br>2024/25<br>£'000 | Saving<br>2025/26<br>£'000 | Saving<br>2026/27<br>£'000 |
|---------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| <b>Future Impact of 2023/24 Savings Proposals</b> |                                                     |                                                                                                                                 |                            |                            |                            |
| Corporate Services                                | Communications Service                              | Carry Vacancy                                                                                                                   | 0                          | -60                        | -60                        |
| Corporate Services                                | Communications Service                              | Review funding model of the Public Service Board support budget                                                                 | 23                         | 23                         | 23                         |
| Corporate Services                                | Digital and Customer Services                       | Licences saving                                                                                                                 | 33                         | 38                         | 38                         |
| Corporate Services                                | Digital and Customer Services                       | Mobile Phone saving                                                                                                             | 9                          | 24                         | 24                         |
| Corporate Services                                | Digital and Customer Services                       | Supplies and Services                                                                                                           | 1                          | 1                          | 1                          |
| Corporate Services                                | Digital and Customer Services                       | Support and maintenance contract saving                                                                                         | 0                          | 40                         | 40                         |
| Corporate Services                                | Director                                            | Non-staff spend savings due to different ways of working                                                                        | 4                          | 7                          | 7                          |
| Corporate Services                                | Director                                            | Reduce expenditure on senior management as part of review                                                                       | 50                         | 50                         | 50                         |
| Corporate Services                                | HR & Service Centre                                 | Additional saving post Oracle Cloud implementation                                                                              | 30                         | 30                         | 30                         |
| Education                                         | Non-Delegated                                       | Better targeting of Education otherwise than at school (EOTAS) spending following full implementation of new model of provision | 0                          | 70                         | 70                         |
| Education                                         | Non-Delegated                                       | Continuing review and rationalisation of the directorate.                                                                       | 25                         | 50                         | 50                         |
| Education                                         | Non-Delegated                                       | Enhance in County provision reducing out of county costs                                                                        | 201                        | 371                        | 371                        |
| Finance                                           | Benefits                                            | Remove vacant posts                                                                                                             | 0                          | 93                         | 93                         |
| Finance                                           | CTRS                                                | Rebase Council Tax Reduction Scheme                                                                                             | 1,400                      | 1,497                      | 2,497                      |
| Place                                             | Building Services                                   | Additional income generation through significantly increased work programme                                                     | 650                        | 1,300                      | 1,300                      |
| Place                                             | Cultural Services (Foreshore income generation)     | Increase fees and income targets in line with inflation                                                                         | 10                         | 20                         | 30                         |
| Place                                             | Cultural Services (Grand Theatre) income generation | Implementation of income generation agreement within the Grand Theatre Arts Wing                                                | 75                         | 75                         | 75                         |
| Place                                             | Cultural Services (Management)                      | Review Service Management and Directorate Budget for development work and cross support for Dylan Thomas Centre and staff       | 0                          | 20                         | 20                         |

| Director | Head of Service                             | Published Description                                                                                                                                                        | Saving<br>2024/25<br>£'000 | Saving<br>2025/26<br>£'000 | Saving<br>2026/27<br>£'000 |
|----------|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| Place    | Cultural Services                           | Review contract agreement with National Waterfront Museum                                                                                                                    | 0                          | 100                        | 200                        |
| Place    | Cultural Services                           | Review the partnership agreement with Wales National Pool                                                                                                                    | 200                        | 200                        | 200                        |
| Place    | Cultural Services Partnerships and Strategy | Review budget to deliver Cultural Activity                                                                                                                                   | 0                          | 20                         | 20                         |
| Place    | Highways & Transport                        | Apply full cost recovery principles to day markets on car parks and highways                                                                                                 | 0                          | 0                          | 5                          |
| Place    | Highways & Transport                        | Energy saving from implementing LED lamps from extra investment                                                                                                              | 30                         | 30                         | 30                         |
| Place    | Highways & Transport                        | Increase street works and licencing fees annually in line with inflationary levels                                                                                           | 25                         | 50                         | 75                         |
| Place    | Highways & Transport                        | Increased charges and income from Marina and Knab Rock                                                                                                                       | 20                         | 40                         | 60                         |
| Place    | Highways & Transport                        | Operate an Additional Parking Enforcement camera car                                                                                                                         | 43                         | 143                        | 143                        |
| Place    | Highways & Transport                        | Review Parking Services Team                                                                                                                                                 | 25                         | 25                         | 25                         |
| Place    | Housing & Public Health                     | 5% Increase in Fees for next 4 years Cemeteries and Cremations. Fees are controlled by statute (The Local Authorities' Cemeteries Order 1977)                                | 137                        | 181                        | 432                        |
| Place    | Housing & Public Health                     | 5% Increase in Fees in next 4 years Registrars. Fees are controlled by statute (Marriage Act 1949) stating the income from charges should not exceed the costs of provision. | 32                         | 66                         | 102                        |
| Place    | Housing & Public Health                     | Increase Food Safety and Trading Standards Fees by 15%                                                                                                                       | 5                          | 7                          | 9                          |
| Place    | Housing & Public Health                     | Increase in Fees for next 4 years Building Control (in accordance with Land Authority Building Charges Regulations 2010)                                                     | 24                         | 49                         | 75                         |
| Place    | Housing & Public Health                     | Increase pest control fees to 15% for schools contract and general pest income                                                                                               | 5                          | 7                          | 9                          |
| Place    | Housing & Public Health                     | Review Public Health Service                                                                                                                                                 | 6                          | 6                          | 6                          |
| Place    | Planning                                    | Increase Land Charges Income                                                                                                                                                 | 5                          | 10                         | 15                         |
| Place    | Planning                                    | Increase Planning Fee Income                                                                                                                                                 | 25                         | 50                         | 100                        |
| Place    | Planning                                    | Revise Swansea Market Rent Charges                                                                                                                                           | 50                         | 100                        | 100                        |
| Place    | Planning and City Regeneration              | Fee income from capital projects in City Regeneration to offset revenue costs                                                                                                | 0                          | 0                          | 24                         |
| Place    | Planning and Regeneration                   | Review Nature Conservation, Regeneration, Economic Development, & Planning sections                                                                                          | 39                         | 89                         | 139                        |
| Place    | Waste, Parks & Cleansing                    | Increase Bulky Waste Collections charges                                                                                                                                     | 0                          | 8                          | 8                          |
| Place    | Waste, Parks & Cleansing                    | Reallocate current Cleansing Project Teams                                                                                                                                   | 0                          | 0                          | 40                         |

| Director                                                   | Head of Service               | Published Description                                                                                                                                                                                                                                                                                                   | Saving 2024/25<br>£'000 | Saving 2025/26<br>£'000 | Saving 2026/27<br>£'000 |
|------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|
| Place                                                      | Waste, Parks & Cleansing      | Review Street Cleaning                                                                                                                                                                                                                                                                                                  | 0                       | 30                      | 30                      |
| Social Services                                            | Adult Services                | Realise saving in efficiencies through the Supported Living Framework and benefits of being located together (2.5% rather than 5% stated in contractual arrangements in light of Covid)                                                                                                                                 | 50                      | 75                      | 100                     |
| Social Services                                            | Adult Services                | Work though Complex Needs high cost placements and establish a collaborative approach with Health for funding these packages of care to achieve a reduction in the overall costs of these packages due to more efficient and effective working with health in terms of new guidance around continuing health care cases | 250                     | 500                     | 750                     |
| Social Services                                            | Child and Family Services     | Continue to implement the new framework for the funding of childrens complex needs placements to ensure continued equitable funding of these placements with Health                                                                                                                                                     | 50                      | 100                     | 150                     |
| Social Services                                            | Child and Family Services     | Supported accommodation and floating support efficiency savings following a review and recommissioning exercise                                                                                                                                                                                                         | 50                      | 100                     | 100                     |
| Social Services                                            | Directorate                   | Replacing core costs of non-statutory teams with Grant money which may become available through a range of local or regional opportunities                                                                                                                                                                              | 100                     | 150                     | 200                     |
| <b>Total of Future Impact of 2023/24 Savings Proposals</b> |                               |                                                                                                                                                                                                                                                                                                                         | <b>3,682</b>            | <b>5,785</b>            | <b>7,806</b>            |
| <b><u>New Proposals from 2024/25</u></b>                   |                               |                                                                                                                                                                                                                                                                                                                         |                         |                         |                         |
| Corporate Services                                         | Communications Service        | Review and reshape comms/marketing activities across the council                                                                                                                                                                                                                                                        | 0                       | 53                      | 53                      |
| Corporate Services                                         | Communications Service        | Review and reshape health & safety across the council.                                                                                                                                                                                                                                                                  | 45                      | 45                      | 45                      |
| Corporate Services                                         | Communications Service        | Review and reshape occ health arrangements across the council                                                                                                                                                                                                                                                           | 0                       | 63                      | 63                      |
| Corporate Services                                         | Communications Service        | Review and reshape policy and performance support provided to services.                                                                                                                                                                                                                                                 | 0                       | 0                       | 60                      |
| Corporate Services                                         | Communications Service        | Review Civic Office, Cabinet and CMT Support                                                                                                                                                                                                                                                                            | 110                     | 110                     | 110                     |
| Corporate Services                                         | Communications Service        | Review Policy and Development Support                                                                                                                                                                                                                                                                                   | 60                      | 60                      | 60                      |
| Corporate Services                                         | Communications Service        | Review Communications Service Staffing                                                                                                                                                                                                                                                                                  | 0                       | 0                       | 50                      |
| Corporate Services                                         | Digital and Customer Services | Contracts saving                                                                                                                                                                                                                                                                                                        | 291                     | 387                     | 387                     |
| Corporate Services                                         | Digital and Customer Services | No renewal of RecordPoint Licences Contract                                                                                                                                                                                                                                                                             | 48                      | 48                      | 48                      |

| Director           | Head of Service                                   | Published Description                                                                                                                                                                                                                            | Saving<br>2024/25<br>£'000 | Saving<br>2025/26<br>£'000 | Saving<br>2026/27<br>£'000 |
|--------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| Corporate Services | Digital and Customer Services                     | Reduction in workforce, exact post(s) not yet identified                                                                                                                                                                                         | 0                          | 0                          | 48                         |
| Corporate Services | Digital and Customer Services                     | Review Customer Services                                                                                                                                                                                                                         | 103                        | 192                        | 229                        |
| Corporate Services | Digital and Customer Services                     | Review Digital Project Management Team                                                                                                                                                                                                           | 107                        | 107                        | 107                        |
| Corporate Services | Digital and Customer Services                     | Review Oracle Support Staffing                                                                                                                                                                                                                   | 0                          | 0                          | 62                         |
| Corporate Services | Digital and Customer Services                     | Training Budget                                                                                                                                                                                                                                  | 0                          | 32                         | 32                         |
| Corporate Services | HR & Service Centre                               | Reduce facility time by 10% in line with wider Council workforce contraction                                                                                                                                                                     | 30                         | 30                         | 30                         |
| Corporate Services | HR & Service Centre                               | Reduction in workforce to meet previous year's undelivered savings, exact posts not yet identified                                                                                                                                               | 100                        | 190                        | 190                        |
| Corporate Services | HR & Service Centre                               | Reshape Service Centre through digitisation and staff restructure to remove 6 posts (from a total c100)                                                                                                                                          | 70                         | 164                        | 262                        |
| Corporate Services | Legal Democratic Services & Business Intelligence | Review Legal Services                                                                                                                                                                                                                            | 0                          | 96                         | 289                        |
| Education          | Non-Delegated                                     | ALN Transport - review of spread and nature of STF provision / review of assessment / processes to better promote independent travel and integrate provision with Social Services (unless savings are taken corporately and base budget reduced) | 100                        | 100                        | 100                        |
| Place              | Cultural Services                                 | Reduce Library Service 'footprint' through providing accommodation and shared services via SitC - work needed to assess costs to other services versus reduced costs to the Library service                                                      | 400                        | 400                        | 400                        |
| Place              | Cultural Services (Community Development)         | Reduce service team and asset transfer community buildings; removing support for all except absolute minimum regulatory matters                                                                                                                  | 0                          | 0                          | 150                        |
| Place              | Cultural Services (Leisure)                       | Resume 'bid' payment reductions for Freedom Leisure                                                                                                                                                                                              | 300                        | 300                        | 300                        |
| Place              | Cultural Services (Libraries)                     | Remove book service to care homes - home delivery service                                                                                                                                                                                        | 0                          | 67                         | 67                         |
| Place              | Cultural Services (Libraries)                     | To be read with existing saving. Reduce the Library staffing budget to reflect current staff turnover and fewer premises.                                                                                                                        | 179                        | 179                        | 179                        |

| Director | Head of Service                                     | Published Description                                                                                                              | Saving 2024/25 £'000 | Saving 2025/26 £'000 | Saving 2026/27 £'000 |
|----------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|
| Place    | Cultural Services (Oystermouth)                     | Council wide support for Friends groups to continue, but dedicated support will be removed.                                        | 0                    | 44                   | 44                   |
| Place    | Cultural Services (sports and health)               | Reduce management of the sport and health team by reducing grant funded programmes                                                 | 0                    | 0                    | 50                   |
| Place    | Cultural Services (St Helens)                       | Divest the Council's interest in St Helens (saving realised in other depts) and save Cultural Services staffing/ maintenance costs | 50                   | 50                   | 50                   |
| Place    | Cultural Services Tourism Marketing and Development | Seek alternative (grant) funding for events and destination management with longer term Tourism Levy funding to be explored.       | 0                    | 0                    | 150                  |
| Place    | Directorate                                         | Review Place Management structure at Head of Service level on completion of Council JE scheme review.                              | 60                   | 120                  | 120                  |
| Place    | <i>Directorate</i>                                  | <i>To assist with slippage and management of changing operational pressures in future years</i>                                    | -336                 | -350                 | 0                    |
| Place    | Highways & Transport                                | Implement bus lane and other moving traffic offences camera enforcement at Junctions                                               | 150                  | 150                  | 150                  |
| Place    | Highways & Transport                                | Increase parking charges every 2 years (current parking increases to be introduced through Cabinet report Nov 22)                  | 100                  | 100                  | 200                  |
| Place    | Highways & Transport                                | Reduce budget for transport resources                                                                                              | 60                   | 60                   | 60                   |
| Place    | Highways & Transport                                | Review School crossing patrol service                                                                                              | 50                   | 75                   | 75                   |
| Place    | Housing & Public Health                             | Food Safety - Increase in Fee Income for Animal Licensing                                                                          | 5                    | 7                    | 7                    |
| Place    | Planning                                            | Remodel/seek alternative funding for the city centre ranger service and city centre events                                         | 50                   | 100                  | 100                  |
| Place    | Property Services                                   | Reduction of service asset portfolio due to service reductions - savings on premises costs                                         | 0                    | 300                  | 300                  |
| Place    | Waste                                               | Remove city centre urinals                                                                                                         | 0                    | 28                   | 28                   |
| Place    | Waste, Parks & Cleansing                            | Divert all other DIY material to Llansamlet and charge for disposal of specific materials                                          | 0                    | 0                    | 50                   |
| Place    | Waste, Parks & Cleansing                            | Efficiencies/increased income in Commercial Waste Service                                                                          | 0                    | 0                    | 150                  |
| Place    | Waste, Parks & Cleansing                            | Increased Tree Services income due to 15% increase in charges to HRA, schools and third parties                                    | 0                    | 27                   | 27                   |
| Place    | Waste, Parks & Cleansing                            | Reduction in Waste Plant and Equipment budgets and purchase essential via capital funding eg skips                                 | 0                    | 0                    | 50                   |
| Place    | Waste, Parks & Cleansing                            | Reductions in Enforcement Teams                                                                                                    | 0                    | 30                   | 110                  |

| Director                                                                   | Head of Service          | Published Description                                                                                                                                                                                                                                                           | Saving<br>2024/25<br>£'000 | Saving<br>2025/26<br>£'000 | Saving<br>2026/27<br>£'000 |
|----------------------------------------------------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| Place                                                                      | Waste, Parks & Cleansing | Retender Tir John Management Contract at end of current contract                                                                                                                                                                                                                | 0                          | 80                         | 140                        |
| Place                                                                      | Waste, Parks & Cleansing | Review Grounds Maintenance Workforce                                                                                                                                                                                                                                            | 0                          | 0                          | 75                         |
| Place                                                                      | Waste, Parks & Cleansing | Review of street cleansing and workforce structure                                                                                                                                                                                                                              | 0                          | 0                          | 75                         |
| Place                                                                      | Waste, Parks & Cleansing | Review Recycling Centres                                                                                                                                                                                                                                                        | 0                          | 0                          | 45                         |
| Place                                                                      | Waste, Parks & Cleansing | Review staffing at the Botanical gardens                                                                                                                                                                                                                                        | 0                          | 0                          | 30                         |
| Place                                                                      | Waste, Parks & Cleansing | Switch from formal annual flower beds to informal low maintenance planting                                                                                                                                                                                                      | 0                          | 0                          | 45                         |
| Place                                                                      | Waste, Parks & Cleansing | Wholesale reconfiguration of waste collection arrangements to maximise incentive for residents to recycle. Could include increased frequency of recycling collections, reduced frequency of black bag collections, reduced costs of containers, improved quality of recyclates. | 0                          | 400                        | 600                        |
| Social Services                                                            | Adult Services           | Savings from implementing WCCIS                                                                                                                                                                                                                                                 | 50                         | 50                         | 50                         |
| Social Services                                                            | Adult Services           | Further remodelling Adult Social Care in line with delivery of WG policy for a Healthier Wales and the rebalance policy commitment including ensuring appropriate levels of investment from Wag and the Health Board, as well as maximising usage of in house capacity          | 0                          | 0                          | 3,450                      |
| Social Services                                                            | Directorate              | Prevention and redesign activities to deliver additional medium term savings linked to future reduced demand for care and support (may require drawdown of centrally held inflation contingency funds)                                                                          | 1,638                      | 3,298                      | 3,298                      |
| Social Services                                                            | Directorate              | Reduce non-statutory funded provision that doesn't undermine the delivery of other saving proposals'                                                                                                                                                                            | 1,500                      | 1,500                      | 1,500                      |
| <b>Total of New Proposals from 2024/25</b>                                 |                          |                                                                                                                                                                                                                                                                                 | <b>5,320</b>               | <b>8,692</b>               | <b>14,350</b>              |
| <b>Total of ALL Service Specific Savings Proposals (Excluding Schools)</b> |                          |                                                                                                                                                                                                                                                                                 | <b>9,002</b>               | <b>14,477</b>              | <b>22,156</b>              |

## **Part 2 – Service Pressures and Investment**

| <b><u>Director</u></b> | <b><u>Head of Service</u></b> | <b><u>Description</u></b>                                                                                                                                           | <b><u>2024/25<br/>£'000</u></b> | <b><u>2025/26<br/>£'000</u></b> | <b><u>2026/27<br/>£'000</u></b> |
|------------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Corporate Services     | Legal and Democratic Services | Election System                                                                                                                                                     | 50                              | 50                              | 50                              |
| Corporate Services     | Legal and Democratic Services | Increase to Councillors costs due to IRPW Report                                                                                                                    | 15                              | 33                              | 33                              |
| Corporate Services     | Digital and Customer Services | JE Regrading                                                                                                                                                        | 3                               | 6                               | 9                               |
| Education              | Non-Delegated                 | ALN (including Post 16) Transport cost pressures in excess of planning assumptions                                                                                  | 0                               | 70                              | 70                              |
| Education              | Non-Delegated                 | Catering - shortfall between universal free school meal grant and actual costs (manifesto commitment)                                                               | 204                             | 204                             | 204                             |
| Social Services        | Adults                        | Various Adult Services pressures including loss of income (grants), staff costs, inflationary contract costs and ongoing additional COVID-19 costs                  | 50                              | 100                             | 100                             |
| Social Services        | Child & Family                | Various Child and Family Services pressures including loss of income (grants), staff costs, inflationary contract costs and ongoing additional COVID-19 costs       | 100                             | 200                             | 200                             |
| Social Services        | Poverty and Prevention        | Various Poverty and Prevention Services pressures including loss of income (grants), staff costs, inflationary contract costs and ongoing additional COVID-19 costs | 0                               | 50                              | 50                              |
|                        |                               | <b>Grand Total</b>                                                                                                                                                  | <b>422</b>                      | <b>713</b>                      | <b>716</b>                      |

## Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

### Which service area and directorate are you from?

Service Area: Accountancy

Directorate: Finance

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

### (b) Please name and fully describe initiative here:

## Medium Term Financial Planning 2024/25 to 2026/27

Service and financial planning continues to be undertaken against a backcloth of increasing service pressures and demand. Again this year there is the added pressure and uncertainty as we emerge from the COVID-19 pandemic. This has affected short-term planning and is expected to continue impact the budget in the medium term.

The Medium Term Financial Plan (MTFP) is an overarching strategy that:

- Covers three future years.
- Forecasts future known additional spending requirements, likely resources and potential funding shortfalls.
- Links to the Council's adopted strategy '*Swansea – Achieving Better Together*' as a means of addressing future budget shortfalls.
- Links to the Council's revised Corporate Plan, "Delivering for Swansea" and the delivery of our top 6 priorities.
- Has due regard to our duties under the Well-being of Future Generations Act 2015.

Future detailed Service planning will need to be undertaken within the financial assessments and forecasts contained within the Medium term Financial Plan.



**It is important to understand that the MTFP does not constitute a formal budget in respect of the period 2024/25 to 2026/27 and as such the indicative annual assumptions included both within the projected spending pressures detailed in Sections 2 and 3 of this report, and the potential funding detailed in Sections 4 and 5, will be subject to a full review and decision making process as part of each of the annual Revenue Budget and Council Tax setting decisions.**

Instead, the MTFP is intended to outline, in broad terms, the specific service and funding issues over the three year period and how the Council will, within its financial constraints, fund its priorities and achieve major service change and savings.

It is essential as a planning and review tool in order to assess, on an ongoing basis, base assumptions around service pressures and progress against delivery of savings.

The plan serves to highlight the trend for increasingly uncertain times ahead in terms of funding for this Council and Local Government in general, as well as the service pressures that the Council faces from rising demands and increases in demography, together with potential funding pressures arising from ambitious plans for capital development.

Importantly, it is essential that the MTFP is a 'living' document that is subject to regular review and revisions as more information becomes available and risks are updated. As such, it is anticipated that, along with close monitoring of the specific budget proposals and savings targets for 2023/24, further reports to Cabinet regarding the MTFP will be made as necessary. In particular, the Mid Term Budget Statement in the autumn of 2023 will provide a key update on the financial outlook and delivery of savings.

## **GENERAL PRINCIPLES FOR ALL SERVICES**

A number of principles apply to all the Council's services, regardless of the assessment of relative priorities. These are set out below.

### **Budget Principles**

The Council has adopted a number of Budget Principles that underpin the budget strategy:

|                                 |                                        |
|---------------------------------|----------------------------------------|
| <i>Everything is included</i>   | <i>Increased income</i>                |
| <i>Engagement</i>               | <i>Different models of delivery</i>    |
| <i>We will have less money</i>  | <i>Supporting those at risk</i>        |
| <i>Demonstrating efficiency</i> | <i>Evidence base</i>                   |
| <i>Cutting Red Tape</i>         | <i>Sustainable outcomes/prevention</i> |
| <i>Full cost recovery</i>       | <i>Personal Responsibility</i>         |

All Services must apply and be consistent with these Budget Principles.

All Services are also required to address these Principles as part of business planning and developing savings proposals.

### **Service Transformation and Efficiency**

There are expectations upon all Services in relation to transformation and efficiency, which must be met regardless of relative priority for funding:

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Transformation</b> | All service must transform through a fundamental review of purpose, however services are commissioned, to: <ul style="list-style-type: none"> <li>• deliver better outcomes</li> <li>• develop a sustainable delivery model, fit for the future</li> <li>• reduce costs and secure value for money</li> </ul>                                                                                                                                                                                           |
| <b>Efficiency</b>     | All services must continue to strive for efficiency, in particular: <ul style="list-style-type: none"> <li>• reduce management and other overheads</li> <li>• maximise opportunities for increasing income from charges, trading and external sources</li> <li>• reduce the cost of purchasing supplies and services</li> <li>• work with others to achieve better outcomes</li> <li>• look for opportunities for residents or community groups to take or share responsibility for services</li> </ul> |

**Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)**

|                                     | High Impact              |                          | Medium Impact            |                          | Low Impact               |                          | Needs further Investigation         | No Impact                |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|
|                                     | +                        | -                        | +                        | -                        | +                        | -                        |                                     |                          |
| Children/young people (0-18)        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Older people (50+)                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Any other age group                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Gypsies & travellers                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Religion or (non-)belief            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Sex                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers)          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Human Rights                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

The impact will be different for each service and will be assessed as part of our IIA process.

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?**

Please provide details below – either of your activities or your reasons for not undertaking involvement

Consultation will take place annually as part of the revenue budget annual process. The Medium Term Plan is a planning tool and not a formal budget, all parts of the Plan are subject to a full review and decision making process as part of the annual Revenue Budget decisions.

**Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?  
Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
Yes  No
- c) Does the initiative apply each of the five ways of working?  
Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
Yes  No

**Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

High risk

Medium risk

Low risk

**Q6 Will this initiative have an impact (however minor) on any other Council service?**

Yes  No If yes, please provide details below

The plan is for the whole of the Council as such all services are impacted

**Q7 Will this initiative result in any changes needed to the external or internal website?**

Yes  No If yes, please provide details below

**Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

The impact of the Medium Term Financial Plan will be fully considered as part of the engagement and consultation process undertaken each year as part of the Revenue Budget decision making process. The Plan itself is a planning tool only and doesn't constitute a formal budget.

## Outcome of Screening

**Q9 Please describe the outcome of your screening using the headings below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

The budget reductions implicit in the 2022/23 approved budget were subject to the corporate and appropriate Integrated Impact Assessment process, which was considered as part of the overall budget process.

Where additional budget savings requirements are identified as part of the 2023/24 and MTFP budget processes they will be subject to the integrated impact assessment process (including relevant consultation and engagement) as part of the budget considerations for those financial years.

(NB: This summary paragraph should be used in the '**Integrated Assessment Implications**' section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                              |
|--------------------------------------------------------------|
| <b>Screening completed by:</b>                               |
| <b>Name: Sarah Willis</b>                                    |
| <b>Job title: Group Accountant – Corporate and Strategy</b>  |
| <b>Date: 01/02/2023</b>                                      |
| <b>Approval by Head of Service:</b>                          |
| <b>Name: Ben Smith</b>                                       |
| <b>Position: Director of Finance and Section 151 Officer</b> |
| <b>Date: 01/02/2023</b>                                      |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)



Dear Colleague,

**Using the Well-being of Future Generations Act in setting budgets and responding to the cost of living crisis**

I am writing to you in relation to the ongoing cost of living crisis here in Wales. I recognise how difficult the general financial situation is for us as a country and globally and I recognise that many of you will have to make very difficult decisions to meet increased demands on your services in these extraordinary circumstances.

As you progress with setting your budgets for the next financial year, I wanted to emphasise the need to use the Well-being of Future Generations (Wales) Act 2015 ("the Act") to support your decision making.

The Act applies to your organisation and all Public Services Boards in Wales. Financial planning is one of the corporate areas identified within the statutory guidance of the Act, which states:

"Applying the five ways of working to your financial planning will address the tendency for short-term priorities and administrative process to overtake long-term interests. It is expected that financial planning will take account of the five ways of working within the sustainable development principle, particularly in terms of delivering for the long-term and facilitating preventative actions."

I recognise that public bodies are facing tighter budgets, and want to be clear that the advice I am setting out in this letter applies to your decisions around how best to make cost savings, as well as your allocation of any discretionary spending to address the cost-of-living crisis.

Alleviating some of the impact of the current crisis and any potential further cost pressures on households will undoubtedly be a priority consideration in your next budget. I know that you will want to ensure that any future expenditure is taken forward in line with the progressive long-term policy approach we have established in Wales through the Act.

The Act requires that you carry out sustainable development, seek to contribute to the national well-being goals, take every reasonable step to meet your well-being objectives and act in accordance with the sustainable development principle. In so doing, it is important to consider whether your budget addresses current needs, such as those identified in your local Public Services Boards' 2022 Well-being Assessments, while also addressing known longer-term trends including climate change,

---

Comisiynydd Cenedlaethau'r Dyfodol Cymru  
Tramshed Tech, Heol Pendyris  
Caerdydd, CF11 6BH  
*cystylltwchani@cenedlaethaurdyfodol.cymru*  
**cenedlaethaurdyfodol.cymru**

---

Future Generations Commissioner for Wales  
Tramshed Tech, Pendyris Street  
Cardiff, CF11 6BH  
*contactus@futuregenerations.wales*  
**futuregenerations.wales**

depleting natural resources and an ageing population. The Act requires that you acknowledge these trends and act now in a way that embodies preventative and long-term thinking.

In setting your budget in line with the Act, I would expect to see your budget decision-making reflecting the well-being objectives that you have set for your organisation. You should consider how the budget helps alleviate the immediate burden on those on the lowest incomes, hardest hit by the cost-of-living crisis. Longer term, consider how it could help to reduce the impact of any future cost of living crisis.

It is also important to consider carefully any reduction in funding to services that are disproportionately relied upon by those in the highest need. The type of issues that have been brought to my attention include cuts to leisure services, reducing access to physical activity for those in deprived communities, and measures such as reducing the temperature in swimming pools to make cost savings, which will disproportionately exclude the young and the elderly.

While there are no simple solutions to the cost-of-living crisis, there are steps that can be taken to ease the burden on households. There are also links between action to address the climate and nature crises and actions to address the cost-of-living crisis. These include resourcing interventions on things like local food, energy efficiency and transport where acting now can have an impact in both the immediate and longer term. A more joined-up and future focused approach is key to preventing problems and ensuring you take all reasonable steps to meet the well-being objectives you have set.

It is important to consider whether, on balance, your overall budget delivers across the four pillars of well-being (economic, environmental, social and cultural) with equal prominence. The involvement of local citizens is key to making a judgement on this. The Act details the ways in which you must collaborate with people, communities and other public bodies.

Such involvement can and must play its part in reducing systemic inequalities. In this context, extra effort is required to include the voices of those who may be less often heard, but most impacted, by the crisis for example disabled people, racialised people and those who are already the most economically deprived.

As I have said in previous correspondence, we do not want the Act to become a “tick-box exercise”. It needs to be applied in everything you do as a Public Body or Public Services Board. Agreeing your budget is one of the most important decisions that you will make each year.

My feedback on the PSB well-being assessments and emerging feedback on draft PSB well-being objectives, as well as the key findings and recommendations within the Future Generations Report 2020, outline additional opportunities that should be considered and help meet your duties under the Act.

I trust that you find this reminder and the information in this letter helpful.

Yours faithfully,



Sophie Howe

Future Generations Commissioner for Wales

# Agenda Item 10.



## Report of the Section 151 Officer

Cabinet – 16 February 2023

### Revenue Budget 2023/24

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | This report sets out the current position with regard to the Revenue Budget for 2023/24 for consideration by Cabinet.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Policy framework:</b>           | Medium Term Financial Plan and Budget Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Consultation:</b>               | Cabinet Members, Legal, Access to Services & Corporate Management Team                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Recommendations:</b>            | <p>It is recommended that:</p> <ol style="list-style-type: none"><li>1) Cabinet considers the outcome of the formal consultation exercise, and agrees any changes to the Budget Proposals in Appendix D, together with the position regarding delegated budgets as set out in Sections 4.15 and 4.17 of this report.</li><li>2) Cabinet note the current Total Funding Requirement identified in Section 4.6 of this report and, in line with the potential actions identified in Sections 9 and 10 of this report, agree a course of action to achieve a balanced Revenue Budget for 2023/24. In addition to a review of current savings proposals Cabinet will need to:<ul style="list-style-type: none"><li>- Review and approve the Reserve transfers recommended in this report</li><li>- Agree a level of Council Tax for 2023/24 to be recommended to Council</li></ul></li><li>3) Subject to these changes, Cabinet recommends to Council for approval:<ol style="list-style-type: none"><li>a) A Revenue Budget for 2023/24;</li><li>b) A Budget Requirement and Council Tax levy for 2023/24.</li></ol></li></ol> |
| <b>Report Author:</b>              | Ben Smith                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Finance Officer:</b>            | Ben Smith                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Legal Officer:</b>              | Tracey Meredith                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Access to Services Officer:</b> | Rhian Millar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |



## 1. Introduction and Background

### 1.1. This report details:

- Financial monitoring 2022/23
- The Local Government Finance Settlement 2023/24
- Budget Forecast 2023/24
- Specific Savings Proposals
- Outcome of Budget Consultation
- Staffing Implications
- Reserves and Contingency Fund requirements
- The Budget Requirement and Council Tax 2023/24
- Summary of funding proposals
- Risks and uncertainties

### 1.2. The financial assessment in relation to 2024/25 – 2026/27 is contained in the **Medium Term Financial Plan 2024/25 – 2026/27** elsewhere on this agenda.

### 1.3. This report builds upon and needs to be read in conjunction with :

- The budget strategy agreed by Council on 22<sup>nd</sup> October 2013 – **‘Sustainable Swansea: Fit for the Future’**.
- The report to Cabinet on 29<sup>th</sup> July 2014 – **‘Sustainable Swansea: Fit for the Future: Delivery Programme’**.
- The update report on **Sustainable Swansea – Fit for the Future** as approved by Cabinet on 16<sup>th</sup> July 2015.
- The report to Cabinet on 15<sup>th</sup> October 2020 – **‘From Recovery to Transformation’** detailing the “Swansea – Achieving Better Together, Transformation Strategy & Programme Framework 2022 – 2026”
- The report to Cabinet on 17<sup>th</sup> November 2022 – ‘Transformation Goals and Strategy’ detailing the Council’s transformation strategy, vision and goals for 2022 – 2027.
- The report to Cabinet on 22<sup>nd</sup> December 2022 – **Budget Proposals 2023/24 – 2026/27** setting out the Council’s proposals for consultation.

### 1.4. The report sets out the latest budget estimates and invites Cabinet to consider any comments and feedback received as a result of the budget consultation. Cabinet are asked to consider any changes to the draft Budget proposals and proposed Council Tax level, prior to recommending the budget to Council. The report also includes an Integrated Impact Assessment statement so that Cabinet can be aware of the key issues before finalising budget proposals.

### 1.5. 2021/22 marked the first full year of required full compliance with the CIPFA Financial Management Code. The code was taken into consideration during the 2021 Senior Management Review and the resulting restructure ensuring compliance with the code has been in place for just over a year.

### 1.6. **Whilst rightly emphasising what is proposed being removed in savings for transparency, at just under £25 million, it must equally be borne in mind that approximately £60 million is being added, making a net £35**

**million being added. Net service budgets are increasing even though substantial one off funding is being removed.**

## **2. Financial Monitoring 2022/23**

- 2.1. Cabinet will see a report for consideration elsewhere on this agenda on the estimated Revenue Outturn for 2022/23. It is projected that the Council will outturn at an underlying directorate overspend position of £8.995m, which is an improved position compared to the forecast overspend at quarter 2.
- 2.2. The overspend is primarily in respect of the impact of the recently approved 2022/23 pay award. There is only a 3% pay award budgeted for so there will be in excess of £12 million additional payroll costs that are unfunded by the UK/Welsh Governments. There is also a residual element of COVID-19 costs currently reflected in the overspend.
- 2.3. In addition there is likely to be a shortfall on Council Tax collection, forecast at £2m. This will add to the forecast service overspend of £8.995m. There is no indication of repeats of the past two years support, so this is likely to crystallise in full for 2022/23 and steps have already been taken by Council to rectify the shortfall in collection by reducing the assumed tax base in future.
- 2.4. The contingency fund will be used to fund a list of approved items, leaving a balance of £5.457m to offset service overspending on the pay award. In addition to this, non-service items such as the inflation provision will be released to mitigate the overspend.
- 2.5. If the COVID-19 losses are covered by the Welsh Government in line with that currently forecast then there is likely to be an overall underspend for the Council in the region of at least £1.3m, though it is likely to increase. Although shown as an effective underspend it is more accurately a lower than expected draw from one off contingency sums and members will have the opportunity to consider in due course how to respond to that indicative figure.
- 2.6. Any underspends on capital charges (at least a further £8 million) will be transferred to the capital equalisation reserve, a strategy previously agreed by Council, to meet future expected liabilities.

## **3. The Local Government Finance Settlement 2022/23**

- 3.1. The Minister for Housing and Local Government announced the provisional Revenue and Capital Settlement for 2022/23 on 14<sup>th</sup> December 2022 and the final settlement is expected, subject to confirmation, to be announced on 28<sup>th</sup> February 2023.
- 3.2. At the time of writing this report the Welsh Government had not announced the final settlement, however the Minister for Finance and Local Government stated in the provisional settlement that there was no intention to make significant changes to either the methodology or the data underpinning the settlement. There will be a change to fire service funding to reflect some

aspects of specific grant changes and one transfer (this will manifest as an increase in block grant and an increase in the fire levy but the two are not likely to match exactly). **As such any changes should only be minor and capable of being smoothed out by adjustments to the Contingency Fund.** Any other changes such as any new responsibilities transferred into the Revenue Support Grant will simply be passported to Services as usual. **If any more material announcements are made over elements regarding taxation policy (business rates, council tax, VAT, employers taxes etc.) or expectations for, or funding for helping with council tax levels, or indeed overall funding support to councils, this may need to be revisited at Council, which will be operationally and procedurally difficult given likely March timings of both Welsh Government and UK Government final budgets.**

- 3.3. For the purposes of this report there is assumed to be no change to the provisional settlement figure, bar an estimated fire service grant transfer.
- 3.4. In respect of Schools and Social Services, although the provisional settlement does make it clear that the cost pressures in social care and schools are definitively recognised by the Welsh Government, there is no formal protection or funding guarantee within the settlement so any decision over funding is a local one to be made by Cabinet and ultimately by Council, having any due regard to any budget consultation responses received.
- 3.5. In revising the Medium Term Financial Plan and setting the Budget for 2023/24, it is essential that the Council adheres to the objectives in *Swansea – Achieving Better Together, Transformation Strategy 2023 - 2027*. The Council made clear through *Sustainable Swansea* that the need to transform services, reduce or divert demand through prevention and to look for alternative models of delivery, including community action, is required for our future sustainability and to improve outcomes for citizens and this needs to be reinforced and strengthened under the new Transformation Strategy.
- 3.6. **The longer term financial pressures and level of risk that we continue to face make the need to implement these changes ever more urgent. The increase in Aggregate External Finance for next year should be seen as a further opportunity to maintain investment in the Council's priorities and preventative action in particular, and embracing wider scale transformational change, as part of the recovery plan, not to slow down the pace of change or the level of required savings in the medium term.**

#### **4. Budget Forecast 2023/24**

##### ***Overview***

- 4.1. The budget proposals for 2023/24 as submitted for consultation on 22<sup>nd</sup> December 2022 highlighted pressures of £60.666m, resulting in a savings requirement of £25.244m once the provisional increase on Welsh Government Aggregate External Finance (AEF) of £31.182m was taken into account, together with estimated Council Tax rises of £4.240m.

- 4.2. The announcement of the final settlement will mean that the overall funding deficit forecast for 2023/24 will inevitably, but hopefully marginally, change.
- 4.3. In addition, the opportunity has arisen to review all aspects of the budget pressures and risks so far identified with a view to updating the forecast using the latest up to date assumptions.
- 4.4. The options for funding the deficit that is identified remain as:
- Savings on current service net expenditure (through a combination of expenditure reduction and additional income generation)
  - Increases in Council Tax levels (but weighing need for tax revenue sustainability with affordability for residents)
  - Use of Reserves and Balances more generally (not advised, but this advice explicitly does not include the very firm advice to make use of the remaining balance on the Economic Recovery Fund over 2 years to stabilise energy price rises and avoid otherwise potentially unnecessary reductions to base service budgets).

***Forecast Funding Requirement 2023/24***

- 4.5. The revised funding requirement previously identified in paragraph 4.1 above can now be updated and summarised in Table 1(a) below.
- 4.6. The items highlighted in ***bold italic*** in the table have changed since the budget proposals report in December 2022. These are discussed later in the report, and have resulted in a slight change to the Net Funding Requirement.

**Table 1(a) – Projected Pressures 2023/24**

|                                                                    | <b>Budget<br/>2023/24<br/>£'000</b> |
|--------------------------------------------------------------------|-------------------------------------|
| Future cost of pay award                                           |                                     |
| - LG Staff                                                         | 14,908                              |
| - Teachers                                                         | 7,973                               |
| Impact of flat rate pay award 2022/23                              |                                     |
| - LG Staff                                                         | 7,720                               |
| - Teachers                                                         | 3,700                               |
| National Living Wage – pay bill                                    | 1,200                               |
| National Living Wage – contracts                                   | 2,600                               |
| Increase in Pension Costs                                          | 0                                   |
| <b><i>Cumulative contract inflation</i></b>                        | <b><i>1,350</i></b>                 |
| Energy Price Inflation                                             | 15,000                              |
| Temporary use of Recovery Fund to partially cover Energy Inflation | -9,100                              |
| Capital charges - CRMP                                             | 1,556                               |
| <b><i>Contingency</i></b>                                          | <b><i>1,240</i></b>                 |
| Rebase ICT Cloud costs                                             | 500                                 |
| Demographic & Service pressures                                    | 3,000                               |

|                                                                                             |                |
|---------------------------------------------------------------------------------------------|----------------|
| <b>Mid and West Wales Fire Authority Levy (independently decided by the Fire Authority)</b> | <b>2,430</b>   |
| <b>Other Levies (Swansea Bay Port Health Authority and The Corporate Joint Committee)</b>   | <b>16</b>      |
| Council Tax Support Scheme                                                                  | 1,250          |
| MTFP Service pressures accepted                                                             | 1,925          |
| <b>New service pressures accepted</b>                                                       | <b>895</b>     |
| Passed through AEF to Services                                                              | 0              |
| Social Care extra money for Adult Services                                                  | 2,500          |
| <b>Total Funding Requirement</b>                                                            | <b>60,663</b>  |
| <b>Savings Requirement</b>                                                                  | <b>-24,839</b> |
| <b>Net Funding Requirement</b>                                                              | <b>35,824</b>  |
| <b>Aggregate External Finance increase</b>                                                  | <b>30,082</b>  |
| Aggregate External Finance increase (CRMP)                                                  | 1,556          |
| <b>Council Tax increase (including tax base changes)</b>                                    | <b>4,186</b>   |
| <b>Total Resource Investment</b>                                                            | <b>35,824</b>  |

### **Inflation**

- 4.7. The 2022/23 Revenue Budget provided a corporate provision of £4.130m for general inflation (£3.130m) and the cost of the Apprenticeship Levy (£1m). It is expected that the full £1m will be required for the Apprenticeship Levy, the remainder of the provision will be used retained to contribute to the service overspend, if necessary.

Given current UK inflationary levels and forecasts, particularly around energy price increases, there is a strong case for increasing the corporate (General) provision for inflation in 2023/24. As such, as well as providing an additional sum of £1.2m compared to the December 2022 report to Cabinet, a fund of £15m has been created to ease the impact of energy prices during 2023/24. Giving full consideration to the impact upon, and affordability of, council tax levels this provision has been funded in the short term from temporary resources (earmarked reserves), this is to smooth the impact over the short term peak whilst allowing for a gradual inclusion in base funding. It is the case, however, that the Council is nonetheless likely to experience significant ongoing cost pressures in specific areas as detailed in Table 1 (b) below and these have already been provided for as follows

**Table 1 (b) – Potential Service Inflationary and Cost Pressures**

|                                                                                            | <b>£'000</b> |
|--------------------------------------------------------------------------------------------|--------------|
| Increase to central inflation provision                                                    | 16,200       |
| Increased contract costs due to rise in National Minimum Wage levels (already in services) | 2,600        |
| Increased contract costs                                                                   | 1,350        |

- 4.8. In the November 2015 Autumn Statement, the Chancellor first announced significant increases in the National Minimum wage. Whilst the actual

increases will vary year to year there will be continued pressures. The rise anticipated for 2023/24 could affect direct employee costs. There is some uncertainty around the impact as the 2023/24 pay award is as yet unknown, however the latest estimate has been included above. It will impact directly on wage costs of external contractors particularly in respect of contracted services within Social Services. It should also be noted that the local government finance settlement this year places an expectation on local government to move to become an always better than living wage employer in own right and with targeted parts of contracted social care in the first instance. The pay policy was considered at Council in February and those likely policy decisions on future national minimum pay levels to come, relative to general inflationary pay increases provided for, are already fully afforded within the overall budget envelope proposed. For the avoidance of doubt the pay policy proposals and decision to come will not likely need to be otherwise constrained by the budgetary position provided for.

Irrespective of increases in minimum wage, there is likely to be pressure from contracted areas in both Social Services care generally and Transport Services for elements of cost increases. These will need to be funded from the inflation provision allocated to both services as the need arises.

- 4.9. In his Autumn Statement presented to Parliament in November 2022, the Chancellor of the Exchequer made no reference to public sector pay and given the high levels of general inflation it can reasonably be expected that pay rises can continue to be in line with the award this year (i.e. 7% average)
- 4.10. The Apprenticeship Levy is still held centrally on the general provision for inflation line as it is currently a cost that is in effect a corporate tax. This makes the total central provision for inflation just over £20m, although £1m of this is already fully committed for that levy and £15m is the new fund for energy price increases. The provision has been increased this year because of the current economic uncertainty surrounding inflationary levels.
- 4.11. As detailed below, it is assumed that any provision for increases in School pay budgets will be met directly from Schools' delegated budgets.

### ***Schools Prioritisation***

- 4.12. It remains the case that the forward financial plans for the Council will continue to show year on year savings requirements which are likely to be significant and sustained. Given the scale of savings required, it is inevitable that it will be impossible to exempt schools' budgets fully from longer term real terms cuts.
- 4.13. Budget movements can be viewed in two ways:
  - Cash increases or reductions in levels of funding provided to Schools
  - Real terms changes in Schools funding, taking into account known spending needs.

- 4.14. For 2023/24 there continues to be no Ministerial funding commitment to schools, although the provisional settlement does make it clear that the cost pressures in schools are specifically recognised by the Welsh Government and were a material factor in the overall settlement. It is intended to provide funding for various service pressures as a local priority for Cabinet.
- 4.15. The net result of these proposals is an increase in the underlying base budget cash settlement to Schools of just over £10m (5.9%) for 2023/24, (including anticipated Pupil Development Grant and Post 16 funding changes which come separately from Welsh Government), which is only slightly less favourable than the 8.2% increase in this Council's funding from Welsh Government. It must be remembered that once council tax levels are set by Council the overall council funding envelope will be a weighted average of the two increases and likely materially lower than the headline grant increase alone.
- 4.16. This year the headline figures across Wales in respect of Pupil Development Grant has marginally increased and the Post-16 funding has remained the same, so a slightly improved position. However the Regional Consortia School Improvement Grant has decreased, which may have an effect on Swansea Schools when allocated.
- 4.17. Table 1 (c) below sets out the effective impact of the core funding increase against expected funding pressures for Schools.

**Table 1 (c) – Impact on Schools Delegated Budgets**

| Item                                            | £'000 | £'000          |
|-------------------------------------------------|-------|----------------|
| <b><i>Cash position</i></b>                     |       |                |
| <b>Gross core delegated base budget 2022/23</b> |       | <b>179,046</b> |
| Increase for Pay Award - all staff              | 7,973 |                |
| Increase for 2022/23 Pay Award – all staff      | 3,700 |                |
| Increased demographics and other pressures      | 1,200 |                |
| Increased budget delegation                     | 681   |                |
| Total Pressures added                           |       | 13,554         |
| Schools contribution to reduced resources       |       | -2,930         |
| <b>Core delegated base budget 2023/24</b>       |       | <b>189,670</b> |
|                                                 |       | +5.9%          |

The above cash increase substantially covers most, but not all, of the known pressures for Schools, with energy costs underpinned temporarily centrally on top of this direct support, and continues to support the enhancement of mainstream provision within schools as part of the existing education budget strategy.

There are no further delegated funding changes expected for 2023/24 and so the total school cost centre budgets set out in Appendix H have increased by £10.624m for 2023/24 or 5.9% in respect of schools core funding.

It remains the case, however, that substantial elements of Schools Funding (c£17m) are now being delivered via specific Grant (Pupil Development Grant and Regional Consortia School Improvement Grant) which results in a substantial annual risk to overall School's funding which is not in the control of this Council.

### ***Social Care Protection***

- 4.18. Similarly to Schools, the Welsh Government overall Revenue Settlement for 2023/24 no longer includes a protection or prioritisation of funding for social care. Although the settlement does make it clear that elements of Social Care pressures (pay) are recognised in the settlement.

Overall the cash budget proposed for social services (including poverty & prevention) increases by around 8% or £11.6m.

### ***Capital Financing Charges***

- 4.19. There is a base line increase of £1.6m compared to the 2022/23 approved budget reflecting the additional funding agreed with the Welsh Government from the Coastal Risk Management Programme for Mumbles seawall.
- 4.20. In line with the Treasury Management Strategy, a significant element of the Capital Financing Requirement has been met by the allocation of internal funds (internal borrowing). This is highly dependent on cash-flows of the Council and minimises capital costs to the Council whilst appraising the opportunities to externalise funding. That approach was vindicated by the historically low cost borrowing secured by the S151 Officer in 2018/19 and 2021/22, which represents the cheapest borrowing ever secured by the Authority. In hindsight this strategy was well timed noting the effect of the post COVID-19 inflationary environment, we now find ourselves in with financing costs more than doubling in the interim.
- 4.21. The current market and inflationary environment, makes funding the capital programme even more challenging, alongside the more stringent PWLB guidance outlining what PWLB can and cannot be used for. The most economically / operationally advantageous form of borrowing shall be determined by the Section 151 Officer as cashflow and opportunities dictate, and could also include the following alternative sources of capital:
- Local authorities
  - Financial institutions
  - Municipal Bonds Agency

Furthermore the authority has outlined a range of ambitious and challenging investment plans and opportunities in the shape of 21<sup>st</sup> Century Schools Band B programme, the continuing City Region Deal, City Centre redevelopment,



and new housing plans, which are set out in the report on Capital elsewhere on this agenda.

- 4.22. Whilst the short term costs have been built into annual budgets to date, and forecast general fund capital borrowing requirements have been de-risked as outlined above with PWLB borrowing, there remains a longer term requirement to anticipate additional capital financing costs because elements of the Band B schools programme will not be funded by traditional capital borrowing but through the Mutual Investment Model (revenue funding). The authority continues to materially benefit from the substantial increases in current and medium term specific capital grant funding from the Welsh Government and as a direct result of the change to MRP policy which was approved by Council in December 2018.
- 4.23. The S151 officer has carefully considered the impact of the many variables and unknowns inherent in the funding of the presented capital programme (e.g. Brexit impact, volatility of markets, inflation, timing of City deal funding, variability of direct capital grant funding, impact of MRP review on equalising principal repayments in later years) and has sought to mitigate the impact of the funding of the capital programme on the revenue account with the establishment of the capital equalisation reserve. The utilisation of the reserve recognises the future obligations arising out of the committed capital programme whilst prudently mitigating that impact on the revenue account by adopting professional judgement in reserving appropriately at this time in the capital equalisation reserve, which has due regard to the Well-being of Future Generations.

#### ***Fire Authority Levy and Port Health Authority Levy***

- 4.24. Since the 22<sup>nd</sup> December 2022 Cabinet report we have been notified of the overall increase in the Fire Authority Levy. This figure reflects an overall average 16.5% increase in the levy. We will need to await the final notification, which will include changes expected due to the relative allocation across each levied Authority, and a major grant transfer, before finalising the budget, however no significant changes beyond the assumptions already made are expected at this stage.
- 4.25. There has been a minor increase in the Swansea Bay Port Health Authority Levy of 1.5%, the levy for 2023/24 has been set at £88,713 for Swansea.
- 4.26. There has also been an increase in the relatively new Corporate Joint Committee levy of 7.6%, the levy for 2023/24 has been set at £215,203 for Swansea.

#### ***Council Tax Reduction Scheme***

- 4.27. The Authority received a baseline adjustment to its Revenue Support Grant of £18.883m for 2014/15 which has been notionally included as part of all future settlements. The effect of this is that any future increases in Council tax levels would have to be discounted by any potential increases in Council Tax

Support costs. Where appropriate the yield will also have to take account of any increase in Council Tax Support Costs arising from increases in the Council Tax applied by the South Wales Police Commissioner.

The effects of funding additional Council tax support have been taken into account when calculating the funding in respect of the overall budget shortfall highlighted in Table 1(a) in paragraph 4.6 of this report. This has been set at £1.25m for 2023/24.

### ***Discretionary Rate Relief***

- 4.28. The Authority is responsible for funding an element of any discretionary rate relief awarded to local businesses. No increase to this budget has been anticipated for 2023/24.

### ***Service Pressures and Additional Investment***

- 4.29. It can be seen from Table 1(a) above that there is a continued investment in pressures identified and approved as part of the budget process last year. In addition to this there have been a number of new pressures and new investment opportunities identified as part of this year's budget process. The funding of these items has been possible partly through a better than expected settlement from the Welsh Government and partly through efficiencies (savings) made elsewhere within the Authority. Since the December 2022 report these pressures have been revised and the final list is shown in part 2 of Appendix D.

## **5. Specific Savings Proposals: Update**

- 5.1. As a strategy for determining its budget proposals, the Authority has, since 2013, used the principles embedded within '*Sustainable Swansea: Fit for the Future*' as a means of setting Council priorities, transforming services and addressing current and future deficits.

Since October 2020, when Cabinet approved the new "From Recovery to Transformation" report detailing the "Swansea – Achieving Better Together, Transformation Strategy & Programme Framework 2022 – 2026", the Authority has used this strategy to inform and shape the budget process, ensuring the budget assists the strategic aims and outcomes of the framework. It is essential that the recovery programme and its associated delivery and governance is now delivered rapidly to ensure savings plan in train and expected to be needed in the future are more fully assured.

- 5.2. The strategy as adopted underpinned the decision taken at the Council's Cabinet on 22<sup>nd</sup> December 2022 to recommend specific savings proposals totalling £25.244m in 2023/24 for consultation. Cabinet now needs to consider whether or not to make any changes to these proposals in light of the outcome of the consultation.

- 5.3. Work on refining the savings has been on-going and, after consideration of the Authority’s legal and safeguarding duties, savings relating to Legal Services have been withdrawn, as summarised below. It has also been decided to withdraw or defer some corporate posts. The overall savings proposals are detailed in Appendix D (Part 1).

**Table 2 – Summary of Savings Proposals**

| <b>Savings</b>                                                                                                                                                                                                  | <b>2023/24<br/>£'000</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Service specific savings as at 22 <sup>nd</sup> December 2022                                                                                                                                                   | 22,314                   |
| Removal of some Legal Services Savings (to maintain governance standards, and in response to initial staff and union consultation feedback, which <b>remains ongoing</b> at date of publication of this report) | -195                     |
| Remove or Defer for 1 year 4 Corporate Services posts                                                                                                                                                           | -180                     |
| <b>Sub-total</b>                                                                                                                                                                                                | <b>21,939</b>            |
| Schools*                                                                                                                                                                                                        | 2,930                    |
| <b>Total</b>                                                                                                                                                                                                    | <b>24,869</b>            |

\*Schools savings and pressures fall entirely to the delegated budgets and are shown separately as these are decisions for schools to take

- 5.4. Details around the currently assumed proposals for Council Tax levels are shown in Section 9 of this report.
- 5.5. Details around use of the Council’s Reserves, contingency and inflation provisions are shown in Section 8 of this report.

## **6. Outcome of Budget Consultation Process**

### **Budget Consultation Results**

- 6.1. The annual budget consultation ran from 3<sup>rd</sup> January 2023 to 31<sup>st</sup> January 2023. A summary of the consultation results is attached at Appendix E.
- 6.2. The IIA process has been running continually through the budget process. The IIA report is attached as Appendix F. Cabinet will be kept updated on any potential issues that may arise as part of the budget implementation process.
- 6.3. Cabinet and Council will need to consider the response to consultation and the IIA report and demonstrate how we are taking account of the feedback.

- 6.4. Finally, Cabinet is asked to note that, as part of the budget consultation process an account of the consultation responses will be placed on the Council's website

### Changes Proposed to the Budget in this Report

- 6.5. Following consultation, and as a result of the latest updates to forecasts, Cabinet is able consider a number of changes to the savings proposals and service pressures and will now need to consider further whether it is minded to make any further recommendations to Council on its final proposals for the 2023/24 budget. The following items have been added to or removed from the Service proposals since the December report and are accommodated within the existing funding:

| Director           | Head of Service               | Description                                                                                                           | 2023/24<br>£'000 |
|--------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------|
| Corporate Services | Legal and Democratic Services | Removal of savings proposals following review (highlighted in Appendix D)                                             | 195              |
| Corporate Services | Communications Services       | Removal of savings proposal following review                                                                          | 105              |
| Corporate Services | Directorate                   | Reduction of savings proposal following review                                                                        | 75               |
| Place              | Waste, Cleansing and Parks    | Removal of savings proposal following consultation results detail (highlighted in Appendix D)                         | 30               |
| Place              | Waste, Cleansing and Parks    | Additional toilet cleaning resource following the successful ERF funded pilot scheme to ensure now base budget funded | 60               |
| Finance            | Commercial Services           | Additional resource to comply with procurement/supply requirements – to assure on governance                          | 100              |

## 7. Staffing Implications

### *Background*

- 7.1. The Cabinet Report of 22<sup>nd</sup> December 2022 set out the latest estimate (**work on this is continuing and the number is likely to change**) of the impact of the current proposals on total staffing numbers for 2023/24, these have been updated in **Table 3** (shown as Full Time Equivalent (FTEs))

**Table 3 – Potential Impact of Savings Proposals on FTEs 2023/24**

| <b>Potential Headcount Reduction<br/>(likely vacant posts or volunteers for ER/VR)</b> | <b>Headcount<br/>Number</b> |
|----------------------------------------------------------------------------------------|-----------------------------|
| Finance                                                                                | 10                          |
| Corporate Services                                                                     | 26                          |
| Place                                                                                  | 24                          |
| Education (excluding schools)                                                          | 1                           |
| Social Services                                                                        | 0                           |
| <b>Total</b>                                                                           | <b>61</b>                   |
| <b>Indicative schools figure</b>                                                       | <b>FTEs</b>                 |
| Schools                                                                                | TBC                         |

- 7.2. The Council will remain committed to continue to work closely with Trade Unions to minimise the number of compulsory redundancies in the future.
- 7.3. Trade Unions will be consulted on budgetary proposals and the S188 letter was issued on 22<sup>nd</sup> December. Consultation formally commenced on 10<sup>th</sup> January and will last for a minimum of 30 days.
- 7.4. It should be noted that consultation will be undertaken on a rolling basis outside the normal budget cycle, as the outcomes from commissioning and other reviews are presented to Cabinet. Consequently, in some Service Areas, it was not possible at the time of the formal meetings with the Trade Unions to give details of the precise impact on staff and the figures quoted were, therefore, overall estimates. Future meetings with Trade Unions will be used to provide more detail when this becomes available as future options are agreed.
- 7.5. A reduction in posts in 2023/24 will be unavoidable, given that the Council spends just over 50% of its overall budget on employees (significantly more in some Service Areas) and the national pay award remains unknown whilst inflation is also very high and will have to be funded from the Council's own resources.
- 7.6. As achieved and evidenced in previous years, and continuing the Council's current policy, every effort will be made to minimise compulsory redundancies. Management action includes:
- *Tight management of vacancies so that we manage the deletion of posts via natural wastage over time*
  - *The use of fixed term appointments where a post needs to be covered*
  - *Stopping the use of agency staff unless a clear business case can be made*
  - *Redeployment and retraining wherever possible*
  - *Further encouragement of staff to consider ER/VR options, including bumped redundancies*
  - *Encouraging staff to work flexibly e.g. reduce hours or job share*
  - *Flexible retirement*

- 7.7. The groups of staff likely to be most at risk (no options can be ruled out at this stage) are those affected by service savings in Corporate Services, Finance and Place.

### ***Issues***

- 7.8. Consultation will take place with the Trade Unions as required and any issues raised will be considered.

Based on current information it is anticipated that there will be some changes to the staffing figures as a result of:

- ERVR applications
- Not filling vacant posts
- Flexible Working requests, i.e. reduced hours
- Flexible Retirement
- Redeployment
- Bumped redundancies
- Residual very limited risk of compulsory redundancies but work to mitigate this to the absolute minimum continues

These figures will be updated on an ongoing basis.

- 7.9. HR & OD are constantly working with redeployees to secure them alternative positions. Employees at risk, i.e. those who have not been served notice, can also be considered for redeployment, where applicable.

In addition, all posts are placed on the list of posts for employees at risk in the first instance. Director and CMT approval is required in order for the posts to be advertised either on the Vacancy Bulletin or externally.

### ***Consultation Period and Notice Periods***

- 7.10. In the event of organisational change that impacts on employees, the formal consultation period will last for a minimum of 30 days; although formal consultation meetings with staff and Trade Unions will continue as and when necessary.

Assuming that Council approves the budget, it will be after this date that the workforce implications of the budget can be implemented.

After any redundancy selection process has been completed, displaced staff will then be served with their contractual notice that could range from a 4 week period up to 12 weeks, which depends on the employee's length of service. As indicated above there is no expectation at this stage that the budget in itself should cause any material compulsory redundancies.

## **8. Reserves and Contingency Fund Requirement**

### ***Background***

- 8.1. It is a requirement of the Local Government Finance Act 1992 that authorities have regard to the level of reserves when calculating their Budget Requirement. Whilst there is no prescribed statutory minimum level of reserves, account should be taken of the strategic, operational and financial risks facing the Council.
- 8.2. In assessing the adequacy of reserves account needs to be taken of the following general factors:
- treatment of inflation and interest rates
  - level and timing of capital receipts
  - treatment of demand led pressures
  - expected performance against challenging budget requirements
  - treatment of planned efficiency savings / productivity gains
  - financial risks inherent in major capital developments and funding
  - the availability of reserves, government grants and other funds
  - general financial climate to which the authority is subject
- 8.3. The Section 151 Officer continues, as set out below, to view General Reserves as already being at the absolute minimum safe level. Furthermore as the revenue budget continues to grow, the relative value and thus acceptability to the Section 151 Officer of the already low absolute level of General Reserves diminishes further, albeit mitigated to some extent by the growth in temporary earmarked reserves. Any consideration on use of reserves to fund the 2023/24 Revenue Budget is dependent on the level of confidence in predicting 2022/23 Revenue Outturn and the overall draw from those reserves. At present it remains the case therefore that there should ordinarily be no planned use of general reserves for any future budgets and indeed an expectation of the Section 151 Officer that longer term, General Reserves will need to be bolstered to maintain their relative value when compared to the overall growth in budgets and risks and uncertainties faced.

Setting the level of reserves is just one of several related decisions in the formulation of the Medium Term Financial Strategy i.e. it is more than a short term decision.

- 8.4. In considering reserve levels Members should have specific regard to:-
- The report of the Section 151 Officer to Council on 6<sup>th</sup> October 2022 'Review of Revenue Reserves'
  - The guidance issued by Welsh Government and circulated to all Members advising on methods that might be employed when reviewing the overall reserves of the Council.

### ***General Reserves***

- 8.5. The General Reserve amounted to £10.000m at 1st April 2022.

- 8.6. The Revenue Budget for 2022/23 approved by Council on 3<sup>rd</sup> March 2022 assumed no transfer from General Reserves and there is no movement in the General Reserve currently expected during 2022/23, although any final determination on the use of reserves will depend on the outturn position for 2022/23.
- 8.7. In the opinion of the S151 Officer the level of the General Reserve is currently at the very minimum recommended level and as such there is no assumed transfer from the reserve to support the 2023/24 budget.

Therefore the level of General Fund balances estimated at 31<sup>st</sup> March 2024 would be £10.000m.

**Longer term the Section 151 Officer expects there to be a need to increase General Reserves to maintain their relative and proportionate value as revenue budgets and risks and uncertainties grow significantly.**

### ***Contingency Fund***

- 8.8. The 3<sup>rd</sup> quarter financial monitoring report details several forecast uses of the Contingency Fund in 2022/23. At this time, it is anticipated that the original £3.731m 2022/23 budgeted contribution, plus the additional £4.554m carried forward from 2021/22, will be expended and/or used to fund the Council's final outturn position, mainly funding the 2022/23 additional pay award. Given the overall position as forecast in the 3<sup>rd</sup> quarter budget monitoring report for 2022/23 considered elsewhere on this agenda, the forecast Fund balance as at 31<sup>st</sup> March 2023 is subject to final confirmation on outturn, but is currently expected to be nil.
- 8.9. In assessing the value of the Contingency Fund requirement in 2023/24, the following potential requirements are relevant:
- The risks and issues detailed in Section 11 below.
  - The need to provide a substantial potential source of finance for repeated potential overspending in services given past performance, bearing in mind the Council has now likely exhausted all other Earmarked Reserves.
  - The continuing uncertainty for Public Finances as set out in the Cabinet report on 22<sup>nd</sup> December and summarised in the MTFP report elsewhere on the agenda.
  - The expectation that any emerging additional inflationary pressures beyond the large already budgeted items (National Living Wage, pay awards and energy costs) will be a call on the fund in year.
- 8.10. Bearing the above in mind, together with the proposals in respect of funding current year service pressures within the 2023/24 base budget, and the reduced risk of repeating overspending from 2022/23, it is now recommended that the contribution to the base budget Contingency Fund in respect of 2023/24 is increased by £1.240m to £4.971m depending upon any further budget decisions Cabinet is also minded to recommend. Again this is



considered the absolute minimum range necessary to be maintained in light of the likely risks and issues facing this Council.

- 8.11. It should however be noted that no COVID-19 grants awarded during 2022/23 have been announced for 2023/24. Should the wider economic effects continue into 2023/24 this will be a significant risk. There was £144m available in 2022/23 at an all Wales level for local government. The budget advice of the Section 151 Officer is given with the explicit statement of that fundamental uncertainty risk.
- 8.12. Past experience has shown that whilst it is extant Council policy that any reduction in specific grant should be met from an equal reduction in service expenditure, there is often a lag between loss of grant and reduction in costs/change in service levels.

It is also clear that in respect of some specific grants any reduction in associated expenditure may have a detrimental effect in meeting service targets with a consequential increase in future financial penalties.

There are no remaining reserves specifically to protect against grant losses so any reductions will fall firstly to the Service department to manage or if significant will have to be considered for funding from the Contingency Fund.

### ***Earmarked Reserves***

- 8.13. The Council retains earmarked reserves for specific purposes. The reasons for holding these reserves are documented and are subject to ongoing review and scrutiny. The forecast transfers to and from reserves are summarised in Appendix C. There are continuing material draws, as planned, from the time limited Economic Recovery Fund and some other reserves.
- 8.14. On 6<sup>th</sup> October 2022 Council received and approved a report detailing a formal review and re-allocation of Earmarked Revenue Reserves.
- 8.15. From the usual list of specific grants announced by the Welsh Government for 2023/24 it appears that where there are reductions to grants these are not significant so it is unlikely that there will be a significant impact on Swansea.

### ***Review of Insurance Fund***

- 8.16. Following a review of the insurance fund, the level of the sums set aside to provide for future claims which are not known or only partly known at this time are thought to be adequate. Such claims can be very significant and can relate to past periods going back many years. So there will be no further draws from the insurance fund in the short term beyond those already agreed during 2022/23 by Cabinet.

## ***Adequacy of Reserves***

- 8.17. Whilst the proposed use of Earmarked Reserves in 2023/24 funds one off and some recurring expenditure, taking into account the level of General and Earmarked Reserves which would be available should there be an overriding financial requirement, and the arrangements in place to monitor and manage financial risk in 2023/24 and future years, I am satisfied that the proposed management of reserves in 2023/24 will result in a forecast level of General Reserves, Earmarked Reserves and Provisions which may be considered adequate, subject to the potential financial implications of the risks described in Section 11 below and the final budget proposals recommended by Cabinet to Council.
- 8.18. Given the considerable risks and uncertainties facing the Council in 2023/24 and future years, it remains my advice as the officer designated with responsibility for the overall finances of the Council that the above represents reasonable prudent financial management having due regard to service pressures and funding constraints. Nevertheless, increasingly the risks associated with the budget, especially any non-deliverability in practice of planned savings remains very pronounced. This is especially important when viewed in the context of draws from General Reserves in 2017/18 and Earmarked Reserves in 2018/19, which cannot be repeated. Put simply and bluntly both those routes are now all but fully exhausted going forward and Council will have to consider some or all of the following in future years:
- Service reductions
  - Reductions in future capital aspirations
  - Further council tax increases each year
  - Some short term draws from the earmarked reserves set up to manage budgets through to 2026/27, but with an explicitly acceptance and understanding that these are one off mitigations only to enable longer term adjustment to the highly likely tighter public sector funding environment

## **9. Budget Requirement and Council Tax 2023/24**

- 9.1. The Council's recommended requirement is set out in Appendix A. The City and County of Swansea Requirement of £558.558m will be financed partly by Revenue Support Grant of £339.228m and National Non-Domestic Rates of £79.002m.

In light of ongoing uncertainties over the final RSG, final levies, specific grants, the continuation or otherwise of emergency COVID-19 and economic support schemes, potentially unfunded excess costs of future pay awards and the long term capital spending aspirations set out in the Medium Term Financial Plan, the S151 Officer continues to be of the opinion that council tax for 2023/24 could prudently sit within a range of 4.95% to 6.95%, balancing affordability and the cost of living crisis today with the attendant growing risks and uncertainties of tomorrow and having due regard to the wellbeing of future generations. The budget papers exemplified before Cabinet at publication are based on the lower end of that range, but if Cabinet were minded to settle

elsewhere in the range, consequential changes to budgets can be accommodated and recommended to Council

Based on the report to Cabinet on 22<sup>nd</sup> December 2022, and in line with assumptions contained in the Welsh Government's spending assessment for Swansea, a Council Tax rise of 4.95% will generate a sum of £4.186m including assumptions on council tax premiums. This is a band 'D' charge of £1,534.41.

This remains provisional pending the final local government finance settlement which is expected on 28<sup>th</sup> February (subject to confirmation) and it is envisaged that as long as there are no material changes at final settlement that this can be contained within the margins of error in the assumptions and estimates already used in this report and accommodated by adjusting contingency. Council will be advised of the final settlement figure before making a final determination on budget and Council Tax and any implications it may have to take into account.

9.2. Including Community Councils, the total requirement, after taking account of proposals in respect of reserve transfers and currently assumed savings, is £560.385m.

9.3. The above proposals are based on an indicative Council Tax rise which is within the range of planning assumptions of the Medium Term Financial Plan.

## 10. Summary of Funding 2023/24

10.1. The implications of Sections 4, 5, 6, 7 and 8 above, together with the assumed 4.95% rise in Council Tax identified in Section 9 above, results in a forecast additional funding of £60.663m in 2023/24 as detailed in Table 4:

**Table 4 – Budget Proposals 2023/24**

|                                                              | <b>£'000</b>  |
|--------------------------------------------------------------|---------------|
| Savings Requirement as per Table 1(a)                        | 24,839        |
| Net effect of Council tax base decrease and proposed charges | 4,186         |
| Aggregate External Finance increase                          | 31,638        |
| <b>Overall resourcing</b>                                    | <b>60,663</b> |

10.2. Cabinet is asked to consider whether, as a result of the consultation exercise, it wishes to make any further changes to the budget savings proposals for 2023/24 and, if so, any other consequential changes that may need to be addressed. The wholly expected and fully built in increase in AEF should be seen as an opportunity to maintain targeted investment in to the Council's priorities and preventative action in particular, not to slow down the pace of change or the level of required savings.

## 11. Assessment of Risks and Uncertainties

- 11.1. As in previous years, there are a number of potential costs which have been considered in the context of the budget proposals. In particular :-

### ***(a) Implications of Specific 2022/23 Overspends***

The 3<sup>rd</sup> quarter financial monitoring report, discussed elsewhere on this agenda, highlights a number of service overspends, predominantly driven by the 2022/23 pay award. It is anticipated that sufficient funding has been built into the base budget for 2023/24 to mitigate the increased pay award. For any items over and above this, then adjustment via the Contingency Fund will have to be made for any items that are seen to re-occur.

### ***(b) Unavoidable Spending Requirements***

All services will need to meet a range of additional / new pressures in 2023/24. These include the implications of new legislation; demographic changes; final completion of the single status appeals process; and other requirements including heightened inflationary risks in pay and prices in all areas. Whilst reasonable provision has been made for these costs, there is a risk that some items will result in overspends. In particular it has previously been the case that the cost of pay protection arising out of single status implementation can be funded centrally, going forward any and all costs that arise as a result of the appeals process will have to be met from within specific existing Directorate budgets.

### ***(c) Savings***

It is essential in terms of the financial challenges facing the Council beyond 2023/24 that further savings proposals are continuously developed as part of the *Achieving Better Together* programme and emerging transformation programme, and are **implemented over and above those proposed within this budget to provide some future headroom**. This will be a continuation of plans already underway and specifically include existing and the next waves of reviews which **must be rapidly turning recovery plans and assumptions into delivered reality, otherwise service savings will fail to be delivered and net spending pressure return to service budgets for which immediate corrective action will be required**.

The 2023/24 budget includes savings targets which must be fully achieved. **It is a fundamental requirement of the Council's financial procedure rules that Responsible Officers are required to manage expenditure within approved budgets of the Council and to that extent it is essential, should specific proposed budget savings be delayed or postponed, that alternative savings are fully achieved in year to meet approved Directorate Budgets.**

Given the nature and scale of the savings challenge during 2023/24, and more importantly further beyond, there will be continued monitoring and tracking of progress in achieving budget savings which will be reported to

Corporate Management Team, Transformation Board and Cabinet through our usual performance and budget monitoring processes.

As noted above, further proposals will be brought to Cabinet during the year as necessary.

#### ***(d) Inflation***

Where there have been specific announcements around minimum wage increases an estimate has been included around the potential additional costs that may fall to the Council from external contractors. In addition a top up of £0.150m has been added to the substantial provision made last year for inflationary increases in areas where there is a significant element of contracted out services. Headline inflation is at the highest it has been for 30 years and remains a grave cause for concern for all, including the Council.

#### ***(e) Energy Price Inflation***

Over and above the various provisions for inflation detailed above a fund has been created specifically for energy price increases. This fund will be available for Council Directorates, Schools and Strategic Partners to draw on where there is evidenced need. The current (updated) estimated allocation is:

**Table 5 - Energy Price Fund Estimated Allocation**

| <b>Energy Pressure</b>                                                                                                            | <b>£'000</b> |
|-----------------------------------------------------------------------------------------------------------------------------------|--------------|
| Council Directorates                                                                                                              | 6,000        |
| Schools – top up to in year budgets – but not delegated                                                                           | 6,000        |
| Strategic Partners with potential high energy demands e.g. leisure centres, care homes, community groups focussing on “warm hubs” | 3,000        |

#### ***(f) Care Home Fees***

Budget provision has been made for the 2023 contract settlement with care home providers. However, it is likely that fees will need to be further monitored given that the Council has to undertake an annual review of payments to care home providers which must be robust and evidenced – see specific provision for inflation above.

#### ***(g) Specific Grants***

In the event that the level of specific grants awarded for 2023/24 is less than that for 2022/23, it is essential that Directorates take action to manage such reductions within the proposed spending limits – i.e. there is no ongoing corporate provision for meeting such shortfalls. There is a clear expectation that expenditure will be cut to match the level of grant.

It is, however, acknowledged based on past experience that where specific grants are reduced there may be a time lag between reduction in funding and

the Council's ability to reduce costs. It is equally clear that in some areas currently funded by specific grant the Council will, for operational or service reasons, wish to maintain expenditure. Any future bids for funding to cover loss of specific grants will have to be made against the already pressured contingency fund.

***(h) Equal Pay Back Payments***

The bulk of equal pay claims both in number and value have now been fully settled. However, legislation is such that further claims cannot be precluded although the introduction of the compliant pay and grading structure from 1<sup>st</sup> April 2014 will significantly lessen risk in this area over time.

***(i) Implementation of Single Status***

Whilst the Council implemented a compliant pay and grading structure from 1<sup>st</sup> April 2014, there has been a continuing small number of appeals against grades awarded. Where these appeals have been successful, it will lead to additional costs over and above the grade initially allocated including incremental costs over a period of up to five years, of which 2018/19 represented the last year and effectively this risk has now materially dropped out since 2019/20 but a minor residual one remains.

***(j) Council Tax Reduction Scheme***

Provision has been made for the estimated costs which are now linked directly to any proposed increases in Council Tax Levels.

***(k) COVID-19 and COVID-19 Grants***

There is a real risk that the ongoing effects of the pandemic could continue to affect national and indeed global finances.

The Welsh Government has effectively removed the grant funding available for the impact of COVID-19 in 2023/24. This is a significant financial risk as things are unlikely to return to normality that rapidly in practice.

***(l) Capital Financing Charges***

There is a risk that the funding ask (in respect especially of additional unsupported borrowing) highlighted in the Capital Budget report elsewhere on the agenda will result in additional charges over and above the agreed budget provision.

The report on the Capital Programme for 2022/23 – 2027/28 elsewhere on this agenda highlights specific actions that need to be taken to mitigate against future increases in revenue costs linked to increases in unsupported borrowing and further externalisation of current debt. The risks of course are heavily mitigated by having externalised all anticipated medium term traditional capital borrowing requirements for the General Fund.

In additional mitigation, there was a report to Council on 20<sup>th</sup> December 2018 in respect of the formal review of the Minimum Revenue Provision. This has the benefit of reducing capital financing charges in the short to medium term, albeit at the expense of increases in the medium to longer term, before once again reducing in the very long term. These shorter-term fluctuations have been built into the budget for 2023/24 and beyond but appropriate use of the Capital Equalisation Reserve smooths future cost pressures.

The low interest rate and bond yield environment has resulted in historically low interest rates available from the PWLB in the past few years, which the Authority has previously already taken advantage of in funding its capital financing requirement. Although the PWLB have removed the 1% penalty premium on new local authority borrowing (subject to certain criteria), the overall material increases in interest rates over the past year means consideration will also need to be given to sourcing funding at cheaper rates from the following:

- Local authorities
- Financial institutions
- Municipal Bonds Agency
- Deferral of borrowing and material drawdowns of own cash backed reserves, especially the Capital Equalisation Reserve, in the mean time

The degree which any of these options proves cheaper than PWLB Certainty Rate is still evolving at the time of writing but the Section 151 Officer is delegated to identify the most economically advantageous funding and timing option.

11.2. The above risks are both substantial and potentially significant in value. Therefore during 2023/24 specific actions are being put in place which will involve:-

- Monthly monitoring of specific savings targets against an agreed implementation timetable in order to identify any slippage and appropriate and equivalent compensating budget savings through the existing performance and finance management process.
- Ensuring compliance with the Council's Financial Procedure Rules, which require Responsible Officers to manage budgets within the limits set by Council.
- The impact of any changes to specific grant funding streams.

## **12. Integrated Impact Assessment Implications**

12.1. The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.

- Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 12.2. The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the ‘well-being goals’.
- 12.3. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 12.4. We know from previous years that, due to the scale of budget reductions, those with protected characteristics are likely to be affected. In assessing the impact of the budget proposals, we continue to attempt to ensure that any effect is not disproportionate and that we continue to focus on mitigation wherever possible. In this context the following should be noted:
- Where IIAs show potential significant impact with no possible mitigation, these proposals will be referred for further consideration
  - for those IIAs where potential significant impact has been identified and mitigation has been possible, the associated action plans will be monitored and reviewed
  - the outcomes of engagement will inform IIAs
  - this is an ongoing process and as noted this statement and many IIAs will remain open for varying periods of time
  - there is a focus on the council doing things differently in order to further deliver services that are flexible, citizen-centred, meet individual needs and are sustainable for the future
- 12.5. The council continues to deliver a wide range of services for all the citizens of Swansea. Many of these are of particular benefit to the areas covered by our IIA process, e.g. the protected characteristics defined within the Equality Act 2010.
- 12.6. As highlighted earlier in Appendix F, the council is committed to protecting the vital frontline services that matter most to the people of Swansea, tackling poverty and looking after the most vulnerable in our communities. The council will continue to do everything it can to meet this challenging commitment



given the financial constraints it faces. However, services may be provided in a different way in line with 'Swansea – Achieving Better Together'.

### **13. The Medium Term Financial Plan (MTFP) 2024/25 – 2026/27**

13.1. Many of the issues identified in this report have implications for future years. The MTFP report elsewhere on the agenda includes an assessment of likely shortfalls in future years and outline proposals for achieving savings.

### **14. Legal Implications**

14.1. The Authority is under a duty to make arrangements for the proper administration of its financial affairs. Failure to do so will be a breach of that duty.

Background papers : None

Appendix 'A' Revenue Budget Summary 2023/24

Appendix 'B' Net Directorate Budget Proposals

Appendix 'C' Earmarked Reserves

Appendix 'D' Specific Savings Proposals and Service Investment

Appendix 'E' Summary of Consultation Responses

Appendix 'F' Integrated Impact Assessment Statement

Appendix 'G' Response of the Schools' Budget Forum

Appendix 'H' Directorate Budgets

|                                                                              | APPENDIX A      |                 |
|------------------------------------------------------------------------------|-----------------|-----------------|
| <b>REVENUE BUDGET SUMMARY 2023/24</b>                                        |                 |                 |
| <b><i>DIRECTORATE</i></b>                                                    | <b>RESTATED</b> | <b>ORIGINAL</b> |
|                                                                              | <b>BUDGET</b>   | <b>BUDGET</b>   |
|                                                                              | <b>2022/23</b>  | <b>2023/24</b>  |
|                                                                              | <b>£'000</b>    | <b>£'000</b>    |
| CORPORATE SERVICES                                                           | 24,570          | 21,440          |
| FINANCE (Including COUNCIL TAX REDUCTION SCHEME)                             | 32,770          | 33,488          |
| SOCIAL SERVICES (Including POVERTY AND PREVENTION)                           | 145,328         | 156,975         |
| EDUCATION                                                                    | 22,994          | 24,807          |
| EDUCATION - DELEGATED TO SCHOOLS PLACE                                       | 179,046         | 189,670         |
|                                                                              | 74,801          | 62,681          |
|                                                                              |                 | 0               |
| <b><i>NET DIRECTORATE EXPENDITURE</i></b>                                    | <b>479,509</b>  | <b>489,061</b>  |
| SPECIFIC PROVISION FOR INFLATION / APPRENTICESHIP LEVY                       | 4,130           | 20,330          |
| <b><i>OTHER ITEMS</i></b>                                                    |                 |                 |
| <b>LEVIES</b>                                                                |                 |                 |
| SWANSEA BAY PORT HEALTH AUTHORITY                                            | 88              | 89              |
| CORPORATE JOINT COMMITTEE                                                    | 200             | 215             |
| <b>CONTRIBUTIONS</b>                                                         |                 |                 |
| MID & WEST WALES COMBINED FIRE AUTHORITY                                     | 14,692          | 17,122          |
| <b><i>CAPITAL FINANCING CHARGES</i></b>                                      |                 |                 |
| PRINCIPAL REPAYMENTS                                                         | 16,868          | 15,574          |
| NET INTEREST CHARGES                                                         | 20,510          | 23,360          |
| <b><i>NET REVENUE EXPENDITURE</i></b>                                        | <b>535,997</b>  | <b>565,751</b>  |
| <b><i>MOVEMENT IN RESERVES</i></b>                                           |                 |                 |
| GENERAL RESERVES                                                             | 0               | 0               |
| EARMARKED RESERVES                                                           | -13,681         | -7,611          |
| <b><i>TOTAL BUDGET REQUIREMENT</i></b>                                       | <b>522,316</b>  | <b>558,140</b>  |
| DISCRETIONARY RATE RELIEF                                                    | 418             | 418             |
| <b><i>TOTAL CITY AND COUNTY OF SWANSEA REQUIREMENT</i></b>                   | <b>522,734</b>  | <b>558,558</b>  |
| COMMUNITY COUNCIL PRECEPTS                                                   | 1,697           | 1,827           |
| <b><i>TOTAL REQUIREMENT</i></b>                                              | <b>524,431</b>  | <b>560,385</b>  |
| <b><i>FINANCING OF TOTAL REQUIREMENT</i></b>                                 |                 |                 |
| REVENUE SUPPORT GRANT                                                        | 297,425         | 339,228         |
| NATIONAL NON-DOMESTIC RATES                                                  | 89,167          | 79,002          |
| COUNCIL TAX - CITY AND COUNTY OF SWANSEA                                     | 136,142         | 140,328         |
| COUNCIL TAX - COMMUNITY COUNCILS                                             | 1,697           | 1,827           |
| <b><i>TOTAL FINANCING</i></b>                                                | <b>524,431</b>  | <b>560,385</b>  |
| <b><i>COUNCIL TAX BASE for the City and County of Swansea</i></b>            | 93,114          | 91,454          |
| <b><i>COUNCIL TAX AT BAND 'D' (£) for the City and County of Swansea</i></b> | 1,462.10        | 1,534.41        |
| <b><i>GENERAL RESERVES</i></b>                                               |                 |                 |
| AT 1 APRIL                                                                   | 10,000          | 10,000          |
| AT 31 MARCH                                                                  | 10,000          | 10,000          |

| REVENUE BUDGET 2023/24                              |                    |                                                        |                                                          |               |                                     |               |                |
|-----------------------------------------------------|--------------------|--------------------------------------------------------|----------------------------------------------------------|---------------|-------------------------------------|---------------|----------------|
| NET DIRECTORATE BUDGET PROPOSALS                    |                    |                                                        |                                                          |               |                                     |               |                |
|                                                     | Corporate Services | Finance<br>(Including Council Tax<br>Reduction Scheme) | Social Services<br>(Including Poverty and<br>Prevention) | Education     | Education - Delegated<br>to Schools | Place         | Total          |
|                                                     | £000               | £000                                                   | £000                                                     | £000          | £000                                | £000          | £000           |
| <b>Original estimate 2022/23</b>                    | <b>24,787</b>      | <b>32,770</b>                                          | <b>145,111</b>                                           | <b>22,994</b> | <b>179,046</b>                      | <b>74,801</b> | <b>479,509</b> |
| Directorate Transfers                               | -217               | 0                                                      | 217                                                      | 0             | 0                                   | 0             | <b>0</b>       |
| <b>Original estimates following transfers</b>       | <b>24,570</b>      | <b>32,770</b>                                          | <b>145,328</b>                                           | <b>22,994</b> | <b>179,046</b>                      | <b>74,801</b> | <b>479,509</b> |
| Transfer to (+) / from (-) reserves 2022/23         | -3,094             | 0                                                      | -309                                                     | 45            | 0                                   | -14,054       | <b>-17,412</b> |
| <b>Original estimate 2022/23 excluding reserves</b> | <b>21,476</b>      | <b>32,770</b>                                          | <b>145,019</b>                                           | <b>23,039</b> | <b>179,046</b>                      | <b>60,747</b> | <b>462,097</b> |
| Transfers for specific items 2022/23                | 0                  | 0                                                      | 0                                                        | 0             | 0                                   | 0             | 0              |
| Baseline adjustments 2022/23                        | 0                  | 152                                                    | -159                                                     | 7             | 0                                   | 0             | 0              |
| <b>Adjusted service budgets 2022/23</b>             | <b>21,476</b>      | <b>32,922</b>                                          | <b>144,860</b>                                           | <b>23,046</b> | <b>179,046</b>                      | <b>60,747</b> | <b>462,097</b> |
| Baseline adjustments 2023/24                        | 5                  | 5                                                      | 75                                                       | -650          | 681                                 | -116          | 0              |
| Spending Needs                                      | 705                | 1,350                                                  | 7,050                                                    | 2,305         | 1,200                               | 210           | 12,820         |
| Pay inflation provision                             | 2,077              | 1,521                                                  | 8,390                                                    | 2,130         | 11,673                              | 9,710         | 35,501         |
| Savings:                                            |                    |                                                        |                                                          |               |                                     |               |                |
| Specific proposals                                  | -2,823             | -2,310                                                 | -6,100                                                   | -1,971        | -2,930                              | -8,705        | -24,839        |
| <b>Original estimate 2023/24 excluding reserves</b> | <b>21,440</b>      | <b>33,488</b>                                          | <b>154,275</b>                                           | <b>24,860</b> | <b>189,670</b>                      | <b>61,846</b> | <b>485,579</b> |
| Transfer to (-) / from (+) reserves 2023/24         | 0                  | 0                                                      | 2,700                                                    | -53           | 0                                   | 835           | <b>3,482</b>   |
| <b>Net Directorate budgets 2023/24</b>              | <b>21,440</b>      | <b>33,488</b>                                          | <b>156,975</b>                                           | <b>24,807</b> | <b>189,670</b>                      | <b>62,681</b> | <b>489,061</b> |

APPENDIX B

## REVENUE BUDGET 2023/24

### EARMARKED RESERVES

|                                    | Balance<br>31/03/22<br>£000 | 2022/23<br>£000 | Balance<br>31/03/23<br>£000 | 2023/24<br>£000 | Balance<br>31/03/24<br>£000 |
|------------------------------------|-----------------------------|-----------------|-----------------------------|-----------------|-----------------------------|
| <b>DIRECTORATE RESERVES</b>        |                             |                 |                             |                 |                             |
| Equalisation reserves              | -14,502                     | 5,713           | -8,789                      | 0               | -8,789                      |
| Commuted sums                      | -7,597                      | 75              | -7,522                      | 120             | -7,402                      |
| Repair & renewal funds             | -2,211                      | -109            | -2,320                      | -200            | -2,520                      |
| Profit share                       | -1,614                      | -65             | -1,679                      | -67             | -1,746                      |
| Service reserves                   | -36,425                     | 10,581          | -25,844                     | 3,526           | -22,318                     |
| <b>TOTAL DIRECTORATE RESERVES</b>  | <b>-62,349</b>              | <b>16,195</b>   | <b>-46,154</b>              | <b>3,379</b>    | <b>-42,775</b>              |
| <b>CORPORATE RESERVES</b>          |                             |                 |                             |                 |                             |
| Contingency Fund                   | -4,554                      | -3,553          | -8,107                      | -4,971          | -13,078                     |
| Insurance                          | -17,776                     | 0               | -17,776                     | 0               | -17,776                     |
| Job Evaluation earmarked           | 0                           | 0               | 0                           | 0               | 0                           |
| Transformation/Efficiency          | -42,083                     | 12,840          | -29,243                     | 9,183           | -20,060                     |
| <b>TOTAL CORPORATE RESERVES</b>    | <b>-64,413</b>              | <b>9,287</b>    | <b>-55,126</b>              | <b>4,212</b>    | <b>-50,914</b>              |
| <b>UNUSABLE/TECHNICAL RESERVES</b> | <b>-2,869</b>               | <b>200</b>      | <b>-2,669</b>               | <b>20</b>       | <b>-2,649</b>               |
| <b>SCHOOLS DELEGATED RESERVES*</b> | <b>-28,391</b>              | <b>0</b>        | <b>-28,391</b>              | <b>0</b>        | <b>-28,391</b>              |
| <b>TOTAL RESERVES</b>              | <b>-158,022</b>             | <b>25,682</b>   | <b>-132,340</b>             | <b>7,611</b>    | <b>-124,729</b>             |

\* There is no updated information available for schools for 2022/23 or 2023/24. However reserve use is expected to be substantial during both 2022/23 and 2023/24 (up to £18m)  
 In addition to the above, there will be draws from both the Capital Equalisation Reserve and the Insurance Reserve to fund Highways Capital works (up to £4m over 2 years)  
 Again in addition to the above, there could be further draws from the Capital Equalisation Reserve for future potential capital acquisitions

APPENDIX D

Part 1 – Savings Proposals

| Director                  | Head of Service Budget        | Description                                                       | 2023/24<br>£'000 |
|---------------------------|-------------------------------|-------------------------------------------------------------------|------------------|
| Corporate Services        | Communications Service        | Do not fill vacant post.                                          | 60               |
| Corporate Services        | Communications Service        | Carry vacancy                                                     | 60               |
| Corporate Services        | Communications Service        | Recharge Finance for Council Tax printing and associated costs    | 20               |
| Corporate Services        | Communications Service        | Refocus PR budget                                                 | 25               |
| <b>Corporate Services</b> | <b>Communications Service</b> | <b>Remove post via ER/VR in Corporate Management Team support</b> | <b>0</b>         |
| Corporate Services        | Communications Service        | Remove underspend in Corporate Management support budget          | 56               |
| Corporate Services        | Communications Service        | Review CMT support                                                | 60               |
| Corporate Services        | Communications Service        | Review Design Print                                               | 105              |
| Corporate Services        | Communications Service        | Review funding model of the Public Service Board support role     | 22               |
| <b>Corporate Services</b> | <b>Communications Service</b> | <b>Review Policy and Development Support</b>                      | <b>0</b>         |
| <b>Corporate Services</b> | <b>Communications Service</b> | <b>Review Research and Information Team</b>                       | <b>0</b>         |
| Corporate Services        | Digital and Customer Services | Licences saving                                                   | 252              |
| Corporate Services        | Digital and Customer Services | Mobile Phone saving                                               | 11               |
| Corporate Services        | Digital and Customer Services | Move hardware replacement budget to the capital programme         | 450              |
| Corporate Services        | Digital and Customer Services | Phone contract charges saving                                     | 15               |
| Corporate Services        | Digital and Customer Services | Reduce in vehicle hire                                            | 5                |
| Corporate Services        | Digital and Customer Services | Support and maintenance contract saving                           | 30               |
| Corporate Services        | Digital and Customer Services | Remove vacant post                                                | 48               |
| Corporate Services        | Digital and Customer Services | Review customer services function                                 | 36               |

| Director                  | Head of Service Budget                             | Description                                                      | 2023/24<br>£'000 |
|---------------------------|----------------------------------------------------|------------------------------------------------------------------|------------------|
| Corporate Services        | Digital and Customer Services                      | Review IT service desk service                                   | 42               |
| Corporate Services        | Digital and Customer Services                      | Supplies and Services                                            | 5                |
| Corporate Services        | Digital and Customer Services                      | 15% increase to fees and charges                                 | 3                |
| <b>Corporate Services</b> | <b>Director</b>                                    | <b>Reduce expenditure on senior management as part of review</b> | <b>25</b>        |
| Corporate Services        | Director                                           | Non-staff spend savings due to different ways of working         | 1                |
| Corporate Services        | HR & Service Centre                                | Local subscription saving                                        | 15               |
| Corporate Services        | HR & Service Centre                                | Bring Welsh language advertising in house                        | 25               |
| Corporate Services        | HR & Service Centre                                | Deletion of vacant post                                          | 31               |
| Corporate Services        | HR & Service Centre                                | Remove surplus non staff budgets                                 | 47               |
| Corporate Services        | HR & Service Centre                                | Restructure Service Centre Management                            | 50               |
| Corporate Services        | HR & Service Centre                                | Review funding for Trade Union Admin support                     | 21               |
| Corporate Services        | HR & Service Centre                                | Review of merchant services                                      | 70               |
| Corporate Services        | HR & Service Centre                                | Review Service Level Agreement provision to schools              | 81               |
| Corporate Services        | HR & Service Centre                                | Staff restructure in Learning & Development Team                 | 20               |
| Corporate Services        | HR & Service Centre                                | Staff restructure in service centre                              | 77               |
| Corporate Services        | HR & Service Centre                                | Additional Saving post Oracle Cloud implementation               | 30               |
| Corporate Services        | Legal, Democratic Services & Business Intelligence | 10% increase in fees and charges                                 | 10               |
| Corporate Services        | Legal, Democratic Services & Business Intelligence | 10% increase on schools' Service Level Agreements                | 13               |

| Director                  | Head of Service Budget                                        | Description                                                                                                                     | 2023/24<br>£'000 |
|---------------------------|---------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------|
| Corporate Services        | Legal, Democratic Services & Business Intelligence            | Reductions in non-staffing budgets                                                                                              | 27               |
| Corporate Services        | Legal, Democratic Services & Business Intelligence            | Remove vacant post                                                                                                              | 18               |
| Corporate Services        | Legal, Democratic Services & Business Intelligence            | Remove vacant posts                                                                                                             | 87               |
| <b>Corporate Services</b> | <b>Legal, Democratic Services &amp; Business Intelligence</b> | <b>Review Legal Services</b>                                                                                                    | <b>32</b>        |
| <b>Corporate Services</b> | <b>Legal, Democratic Services &amp; Business Intelligence</b> | <b>Review of Legal Services - income adjustment</b>                                                                             | <b>-8</b>        |
| Corporate Services        | Legal, Democratic Services & Business Intelligence            | Review Democratic Services and Scrutiny support staff                                                                           | 86               |
| Corporate Services        | Legal, Democratic Services & Business Intelligence            | Review Information and Governance Unit and Welsh Translation Unit                                                               | 82               |
| Corporate Services        | Legal, Democratic Services & Business Intelligence            | Supplies & Services                                                                                                             | 33               |
| Corporate Services        |                                                               | Employer saving on pension costs as advised by Pension S151 Officer                                                             | 450              |
| Corporate Services        |                                                               | Reversal of National Insurance 1.25%                                                                                            | 195              |
|                           |                                                               | <b>Corporate Services Total</b>                                                                                                 | <b>2,823</b>     |
| Education                 | Non-Delegated                                                 | Explore construction of new Available Walking Routes to Schools providing savings                                               | 196              |
| Education                 | Non-Delegated                                                 | Enhance in County provision reducing out of county costs                                                                        | 232              |
| Education                 | Non-Delegated                                                 | Home to School Transport saving                                                                                                 | 100              |
| Education                 | Non-Delegated                                                 | Further review of demand and service pressures                                                                                  | 60               |
| Education                 | Non-Delegated                                                 | Catering & Cleaning services full cost recovery                                                                                 | 100              |
| Education                 | Non-Delegated                                                 | Better targeting of Education otherwise than at school (EOTAS) spending following full implementation of new model of provision | 120              |

| Director  | Head of Service Budget       | Description                                                                                                    | 2023/24<br>£'000 |
|-----------|------------------------------|----------------------------------------------------------------------------------------------------------------|------------------|
| Education | Non-Delegated                | Wider review of Directorate staffing to refocus resources and enhance cost recovery from other funding streams | 63               |
| Education | Non-Delegated                | Additional Learning Needs Post 16 Transport - promotion of independent travel                                  | 25               |
| Education | Non-Delegated                | Continuing review and rationalisation of the directorate.                                                      | 125              |
| Education | Non-Delegated                | Saving from migration of pupil management information system to the cloud                                      | 300              |
| Education |                              | Employer saving on pension costs as advised by Pension S151 Officer                                            | 450              |
| Education |                              | Reversal of National Insurance 1.25%                                                                           | 200              |
|           |                              | <b>Education (Non-Delegated) Total</b>                                                                         | <b>1,971</b>     |
| Finance   | Accountancy                  | Review accountancy service                                                                                     | 30               |
| Finance   | Audit/Fraud                  | Review audit and fraud service                                                                                 | 45               |
| Finance   | Benefits                     | Remove vacant posts                                                                                            | 94               |
| Finance   | Benefits                     | Remove vacant post                                                                                             | 16               |
| Finance   | Commercial Services          | Remove vacant post in Commercial Services                                                                      | 100              |
| Finance   | CTRS                         | Rebase Council Tax Reduction Scheme                                                                            | 1,541            |
| Finance   | Deputy Chief Finance Officer | Review of Finance management structure                                                                         | 25               |
| Finance   | Insurance/ Treasury          | Review insurance/treasury service                                                                              | 104              |
| Finance   |                              | Employer saving on pension costs as advised by Pension S151 Officer                                            | 250              |
| Finance   |                              | Reversal of National Insurance 1.25%                                                                           | 105              |
|           |                              | <b>Finance Total</b>                                                                                           | <b>2,310</b>     |
| Place     | Building Services            | Additional income through significantly increased work programme                                               | 650              |
| Place     | Building Services            | Reduce trading account budget, covered by increased income generation.                                         | 600              |
| Place     | Cultural Services            | Implementation of income generation agreement within the Grand Theatre Arts Wing                               | 75               |
| Place     | Cultural Services            | Increase fees and income targets in line with inflation                                                        | 110              |
| Place     | Cultural Services            | Review budget to deliver Cultural Activity                                                                     | 60               |
| Place     | Cultural Services            | Review contract agreement with Waterfront Museum                                                               | 100              |



| Director | Head of Service Budget  | Description                                                                                                                                                                  | 2023/24 £'000 |
|----------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Place    | Cultural Services       | Review Service Management and Directorate Budget for development work and cross support for Dylan Thomas Centre and staff                                                    | 130           |
| Place    | Cultural Services       | Review the partnership agreement with Wales National Pool                                                                                                                    | 100           |
| Place    | Highways & Transport    | Increase car park income                                                                                                                                                     | 250           |
| Place    | Highways & Transport    | Standardise charges in non-city centre car parks                                                                                                                             | 100           |
| Place    | Highways & Transport    | Apply full cost recovery principles to day markets on car parks and highways                                                                                                 | 20            |
| Place    | Highways & Transport    | Energy saving from implementing LED lamps from extra investment                                                                                                              | 80            |
| Place    | Highways & Transport    | Increase fee charges against highways maintenance capital works                                                                                                              | 100           |
| Place    | Highways & Transport    | Uplift foreshore parking charges                                                                                                                                             | 350           |
| Place    | Highways & Transport    | Increase street works and licencing fees annually in line with inflationary levels                                                                                           | 25            |
| Place    | Highways & Transport    | Increased charges and income from Marina and Knab Rock                                                                                                                       | 40            |
| Place    | Highways & Transport    | Introduce charges for parking waivers                                                                                                                                        | 100           |
| Place    | Highways & Transport    | Operate an Additional Parking Enforcement camera car                                                                                                                         | 57            |
| Place    | Highways & Transport    | Review Parking Services Team                                                                                                                                                 | 75            |
| Place    | Housing & Public Health | Introduce paid for advice and approval service for businesses across Food Safety and Trading Standards functions                                                             | 22            |
| Place    | Housing & Public Health | 5% Increase in Fees for next 4 years Cemeteries and Cremations. Fees are controlled by statute (The Local Authorities' Cemeteries Order 1977)                                | 130           |
| Place    | Housing & Public Health | 5% Increase in Fees in next 4 years Registrars. Fees are controlled by statute (Marriage Act 1949) stating the income from charges should not exceed the costs of provision. | 30            |
| Place    | Housing & Public Health | Building Control - Various reductions to running costs                                                                                                                       | 6             |
| Place    | Housing & Public Health | Delete vacancy and put permanent revised Food team management structure in place                                                                                             | 100           |
| Place    | Housing & Public Health | Remove surplus budget                                                                                                                                                        | 17            |

| Director | Head of Service Budget         | Description                                                                                                              | 2023/24 £'000 |
|----------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------|---------------|
| Place    | Housing & Public Health        | Increase Food Safety and Trading Standards Fees by 15%                                                                   | 15            |
| Place    | Housing & Public Health        | Increase in Fees for next 4 years Building Control (in accordance with Land Authority Building Charges Regulations 2010) | 23            |
| Place    | Housing & Public Health        | Increase pest control fees to 15% for schools' contract and general pest income                                          | 15            |
| Place    | Housing & Public Health        | Licensing staff restructure                                                                                              | 39            |
| Place    | Housing & Public Health        | non staffing Budget reductions                                                                                           | 17            |
| Place    | Housing & Public Health        | Decommission Nowcaster air quality monitoring system                                                                     | 28            |
| Place    | Housing & Public Health        | Review of Urban Renewals Service                                                                                         | 151           |
| Place    | Housing & Public Health        | Review Public Health Service                                                                                             | 45            |
| Place    | Planning and City Regeneration | Fee income from capital projects in City Regeneration to offset revenue costs                                            | 265           |
| Place    | Planning and City Regeneration | Increase Land Charges Income                                                                                             | 30            |
| Place    | Planning and City Regeneration | Increase Planning Fee Income                                                                                             | 100           |
| Place    | Planning and City Regeneration | Revise Swansea Market Rent Charges                                                                                       | 50            |
| Place    | Planning and City Regeneration | Review Nature Conservation, Regeneration, Economic Development, & Planning sections                                      | 60            |
| Place    | Property Services              | Increase in Quadrant income                                                                                              | 140           |
| Place    | Property Services              | Increase in Service Level Agreement Income                                                                               | 100           |
| Place    | Waste, Parks & Cleansing       | Apply full cost recovery principles to graffiti charges over 4 years                                                     | 10            |
| Place    | Waste, Parks & Cleansing       | Increase weighbridge charges                                                                                             | 55            |
| Place    | Waste, Parks & Cleansing       | Increase Bulky Waste Collections charges                                                                                 | 15            |
| Place    | Waste, Parks & Cleansing       | Increase Cleansing income due to 15% increase in charges to third parties                                                | 13            |
| Place    | Waste, Parks & Cleansing       | Increase Grounds Maintenance income due to 15% increase in charges to HRA, schools and third parties                     | 50            |

| Director        | Head of Service Budget              | Description                                                                                                                                                                                                                                                                                                             | 2023/24 £'000 |
|-----------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Place           | Waste, Parks & Cleansing            | Increased income due to 15% increase in cost of separately paid for Ward Operatives                                                                                                                                                                                                                                     | 22            |
| Place           | Waste, Parks & Cleansing            | Increase income from Reuse Shop                                                                                                                                                                                                                                                                                         | 10            |
| Place           | Waste, Parks & Cleansing            | Increase income from Wood Project                                                                                                                                                                                                                                                                                       | 10            |
| Place           | Waste, Parks & Cleansing            | Increase weed spraying income due to 15% increase in charges to Housing, schools and third parties                                                                                                                                                                                                                      | 25            |
| Place           | Waste, Parks & Cleansing            | Reallocate current Cleansing Project Teams                                                                                                                                                                                                                                                                              | 230           |
| Place           | Waste, Parks & Cleansing            | Remove 50% of additional funding for mechanical brush resource at leaf fall                                                                                                                                                                                                                                             | 25            |
| Place           | Waste, Parks & Cleansing            | Remove additional funding for litter bin replacements                                                                                                                                                                                                                                                                   | 105           |
| Place           | Waste, Parks & Cleansing            | Review breadth and scale of cleansing operations                                                                                                                                                                                                                                                                        | 150           |
| <b>Place</b>    | <b>Waste, Parks &amp; Cleansing</b> | <b>Review individual missed collections service</b>                                                                                                                                                                                                                                                                     | <b>0</b>      |
| Place           | Waste, Parks & Cleansing            | Review Street Cleaning                                                                                                                                                                                                                                                                                                  | 30            |
| Place           | Various                             | "Income earning" services to self-fund pay increase costs from increased fee charges on full cost recovery                                                                                                                                                                                                              | 750           |
| Place           |                                     | Employer saving on pension costs as advised by Pension S151 Officer                                                                                                                                                                                                                                                     | 2,000         |
| Place           |                                     | Reversal of National Insurance 1.25%                                                                                                                                                                                                                                                                                    | 800           |
|                 |                                     | <b>Place Total</b>                                                                                                                                                                                                                                                                                                      | <b>8,705</b>  |
| Social Services | Adult Services                      | Realise saving in efficiencies through the Supported Living Framework and benefits of being located together (2.5% rather than 5% stated in contractual arrangements in light of Covid)                                                                                                                                 | 100           |
| Social Services | Adult Services                      | Work though Complex Needs high-cost placements and establish a collaborative approach with Health for funding these packages of care to achieve a reduction in the overall costs of these packages due to more efficient and effective working with health in terms of new guidance around continuing health care cases | 250           |
| Social Services | Adult Services                      | Reduction in costs for external residential care by changing the business model and how we are funding voids in the system                                                                                                                                                                                              | 50            |

| Director        | Head of Service Budget    | Description                                                                                                                                                             | 2023/24 £'000 |
|-----------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Social Services | Adult Services            | Increase client contribution and review of all fees and charges with a view to incorporating inflationary increases estimated at 10% in line with spending restrictions | 1,000         |
| Social Services | Adult Services            | Review extra care services and recommission a different operating model to achieve efficiencies and better outcomes for individuals                                     | 100           |
| Social Services | Child and Family Services | Continue to implement the new framework for the funding of children's complex needs placements to ensure continued equitable funding of these placements with Health    | 150           |
| Social Services | Child and Family Services | Supported accommodation and floating support efficiency savings following a review and re-commissioning exercise                                                        | 100           |
| Social Services | Child & Family Services   | Reduce placement costs through negotiations with providers to achieve best value for children for both 4Cs framework and non-framework providers                        | 500           |
| Social Services | Directorate               | Replacing core costs of non-statutory teams with Grant money which may become available through a range of local or regional opportunities                              | 300           |
| Social Services | Directorate               | Do not fill vacant posts in Social Services                                                                                                                             | 1,000         |
| Social Services | Directorate               | Employer saving on pension costs as advised by Pension S151 Officer                                                                                                     | 1,850         |
| Social Services | Directorate               | Reversal of National Insurance 1.25%                                                                                                                                    | 700           |
|                 |                           | <b>Social Services Total</b>                                                                                                                                            | <b>6,100</b>  |
|                 |                           | <b>Grand Total</b>                                                                                                                                                      | <b>21,909</b> |

## Part 2 – Service Pressures and Investment

| Director           | Head of Service               | Description                                                                                                                                                   | 2023/24 £'000 |
|--------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Corporate Services | Legal and Democratic Services | Increase to Councillors costs due to IRPW Report                                                                                                              | 15            |
| Social Services    | Adults                        | Various Adult Services pressures including loss of income (grants), staff costs, inflationary contract costs and ongoing additional COVID-19 costs            | 50            |
| Social Services    | Child & Family                | Various Child and Family Services pressures including loss of income (grants), staff costs, inflationary contract costs and ongoing additional COVID-19 costs | 100           |

| Director           | Head of Service                     | Description                                                                                                                                   | 2023/24<br>£'000 |
|--------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Education          | Non-Delegated                       | Unbudgeted and uncontrollable ER/VR and ongoing pension costs - beyond base budget assumptions re service pressures                           | 600              |
| Education          | Non-Delegated                       | ALN Act Implications                                                                                                                          | 600              |
| Education          | Non-Delegated                       | ALN - out of county placements and pupil support - beyond base assumptions re service pressures                                               | 200              |
| Education          | Non-Delegated                       | ALN (including Post 16) Transport cost pressures in excess of planning assumptions                                                            | 360              |
| <b>Education</b>   | <b>Non-Delegated</b>                | <b>Home to School Transport (primary, secondary, post 16, ALN and special schools) - increased contract costs due to inflation, fuel etc.</b> | <b>0</b>         |
| Corporate Services | HR & Service Centre                 | Remove unachievable HR Saving                                                                                                                 | 139              |
| Corporate Services | Digital and Customer Services       | JE Regrading                                                                                                                                  | 21               |
| Corporate Services | Directorate                         | Remove unachievable Saving                                                                                                                    | 30               |
| Education          | Non-Delegated                       | Catering - shortfall between universal free school meal grant and actual costs (manifesto commitment)                                         | 285              |
| Education          | Non-Delegated                       | Catering - difference between frozen paid meal price and actual costs (manifesto commitment)                                                  | 260              |
| <b>Finance</b>     | <b>Commercial Services</b>          | <b>Additional resource to comply with procurement/supply requirements</b>                                                                     | <b>100</b>       |
| <b>Place</b>       | <b>Waste, Parks &amp; Cleansing</b> | <b>Additional toilet cleaning resource following the successful ERF funded pilot scheme</b>                                                   | <b>60</b>        |
|                    |                                     | <b>Grand Total</b>                                                                                                                            | <b>2,820</b>     |

Changes to the budget proposal report are shown in ***Bold Italic***

## Budget Consultation Results 2023

### Budget Consultation

Consultation on the specific budget proposals ran from 3rd January 2023 to 31<sup>st</sup> January 2023. A survey was produced detailing the council's budget proposals, giving people the opportunity to provide their feedback. In total 440 people took part in the general budget consultation survey.

The consultation was available online at [www.swansea.gov.uk/budgetsurvey](http://www.swansea.gov.uk/budgetsurvey), hard copies were made available in all our Libraries.

908 visits to our Budget Consultation webpages. A link was also provided on our internal staff site Staffnet that went straight to the main budget page.

### Communication and Social Media

The consultation was promoted across Swansea within the press and social media. This resulted in:

- Three press releases resulting in twelve media and social media news mentions
- Seven social media mentions, reaching 18.4k on social media and 2.3k via the council's online weekly newsletter.

### Budget Consultation Summary Results (full results Appendix A)

The survey provided the opportunity for people to have their say on:

- Future funding of services
- Proposed spend 2023/24
- Future Spend
- Budget Proposals

#### Future funding of services

**46%** Would you be prepared to pay more for some services rather than lose them?

**73%** Would you prefer for the Council to deliver services in a different way rather than lose them?

**50%** Would you be prepared to accept a higher increase in Council Tax to fund services rather than lose them?

#### What level of Council Tax increase would you accept?

**56%** Below inflation level rise

**41%** A rise in line with inflation levels

**3%** Above inflation rise

#### Proposed Spend

**87%** Agree that Social Services and Education should remain the Council's priority in terms of future spend?

## **Future Spend**

Respondents were asked: **If there was money available, in which areas would you like to see the Council invest in?**

Areas which were selected the most are outlined below:

**63%** Care for Older People and Disabled Adults

**54%** Street/Road Repairs

**45%** Housing and Homelessness

**44%** Keeping Children Safe

**42%** Tackling Poverty

**39%** Parks & Green Spaces

## **Budget Proposals**

The majority of proposals were supported by respondents.

## **Council Fees and Charges**

The survey asked a series of questions around proposed increase of fees and charges across the Council:

**57%** Agree with the proposal to increase our fees and charges with inflation rises

**43%** Agree with the proposal to increase our fees and charges to recover all costs of providing our services

**68%** Agree with the proposal to introduce a Resident App

**75%** Agree with the proposal to introduce a discounted residents' rate for some of our carparks

### **Social Care Services:**

**54%** Would prefer to pay more for those services rather than see a reduced level of service

### **Other Proposals:**

Areas which received the highest levels of objection and agreement are outlined below:

#### **Agree**

**95%** agree to keep the £1 Park and Ride tariff and not return to the price of £2.50 until April 2024

**82%** agree to review the funding arrangements for the National Waterfront Museum and look to reduce the Council's contribution.

**80%** agree to introduce a £3 charge in all City Centre car parks for overnight parking

**78%** agree to remove the facility to pick up individual missed rubbish collections.

**77%** agree to increase the charge of the disposal of non-household waste at the Bailing Plant in Llansamlet by 7.5.%

**76%** agree to review the funding arrangements of the National Pool when the current arrangement ceases. The Council currently contributes 50% of the funding for this venue

**73%** agree to the introduction of a charge per event for markets and car boots sales at Uplands Market, Dairy Car Park and High Street Multi Storey Car Park. The charge would be for event organisers.

### **Disagree**

**60%** Disagree with the proposed car park charges for Copr Bay Car Parks?

**54%** Disagree with introducing charges in larger Council run car parks in Fendrod Lake

**53%** Disagree with introducing charges in larger Council run car parks in Gorseinon

**53%** Disagree with introducing charges in larger Council run car parks in Morrision

**50%** Disagree with introducing charges in larger Council run car parks in South Beach,  
Trawler Road (Marina)

### **Budget Report**

Comments on the overall budget report were sort 167 comments have been received.

Text comments provided in the survey have been presented in full to Cabinet members for consideration.

### **Other Correspondence**

We received a number of letters in relation to the budget proposals:

- 1 letter from Swansea Trades Council
- 1 letter from Wales National Pool Swansea
- 1 letter from Amgueddfa Cymru-Museum Wales

These correspondence can be viewed in Appendix 2



## Appendix 1

### Are you ...

|             |                        |          |                                                                     |
|-------------|------------------------|----------|---------------------------------------------------------------------|
| 280 (63.6%) | A member of the public | 4 (0.9%) | A third sector organisation/partner organisation (please specify)   |
| 149 (33.9%) | A council employee     | 2 (0.5%) | A private sector organisation/partner organisation (please specify) |
| 5 (1.1%)    | An elected member      |          |                                                                     |
| 10 (100.0%) |                        |          |                                                                     |

### Postcode:

429 (100.0%)

## Future funding of services

Due to the size of the budget challenge facing the Council in the coming years, we may not be able to provide the same number or level of services in the future.

We want your views on how we can provide services in the future:

### Would you be prepared to pay more for some services rather than lose them?

192 (46.2%) Yes

224 (53.8%) No

### If yes, please state in the box below which services you would be prepared to pay towards in the future:

157 (100.0%)

### Would you be prepared to accept a higher increase in Council Tax to fund services rather than lose them?

214 (50.0%) Yes

214 (50.0%) No

### If yes, what level of Council Tax increase would you accept?

144 (56.0%) Below inflation level rise

105 (40.9%) A rise in line with inflation levels

8 (3.1%) Above inflation level rise

### Would you prefer for the Council to deliver services in a different way rather than lose them?

302 (72.9%) Yes

112 (27.1%) No

### If yes, please state in the box below how would you like services delivered differently in the future:

172 (100.0%)

## Proposed Spend 2023/24:

### Do you agree or disagree that Social Services and Education should remain the Council's priority in terms of future spend?

212 (50.4%) Strongly Agree  
154 (36.6%) Tend to Agree  
32 (7.6%) Tend to Disagree  
23 (5.5%) Strongly Disagree

### If you disagree, please tell us why?

53 (100.0%)

**Future Spend:**

**If there was money available, in which areas would you like to see the Council invest in?**

|             |                                                           |             |                                       |
|-------------|-----------------------------------------------------------|-------------|---------------------------------------|
| 270 (62.6%) | Care for Older People and Disabled Adults                 | 125 (29.0%) | Council Housing                       |
| 18 (4.2%)   | Keeping people informed about the Council                 | 37 (8.6%)   | Improvements to Council buildings     |
| 45 (10.4%)  | Engaging and consulting people on things the council does | 195 (45.2%) | Housing & Homelessness                |
| 52 (12.1%)  | Promoting and supporting Equality and Diversity           | 182 (42.2%) | Tackling Poverty                      |
| 19 (4.4%)   | Improving the Council's website                           | 118 (27.4%) | Libraries                             |
| 28 (6.5%)   | Promoting and supporting Welsh Language                   | 108 (25.1%) | Community Centres                     |
| 63 (14.6%)  | Making the Council more commercial                        | 136 (31.6%) | Children's Play / Youth Services      |
| 191 (44.3%) | Keeping Children Safe                                     | 101 (23.4%) | Developing Swansea City Centre        |
| 154 (35.7%) | School improvements                                       | 96 (22.3%)  | Refuse Collection                     |
| 138 (32.0%) | Additional Learning needs                                 | 114 (26.5%) | Recycling services                    |
| 135 (31.3%) | Education services                                        | 141 (32.7%) | Street cleaning                       |
| 80 (18.6%)  | Adult learning                                            | 168 (39.0%) | Parks & Green Spaces                  |
| 234 (54.3%) | Street/Road Repairs                                       | 116 (26.9%) | Sports, Leisure & Cultural Facilities |
| 69 (16.0%)  | Traffic Management                                        | 91 (21.1%)  | Transport services/ Bus station       |
| 69 (16.0%)  | Car Parking                                               | 18 (4.2%)   | Other (write in)                      |
| 50 (100.0%) |                                                           |             |                                       |

**Budget Proposals: Council Fees and Charges**

As a Council we charge for a number of services that we provide. This allows us to use the income from these services to provide them and allows us to recover the cost of providing services to help us fund other services we provide. The cost of living crisis has brought unprecedented challenges for households across the country. Swansea Council has been affected in the same way. The effects of higher energy bills has added an extra £15 million to our costs. On top of this inflation has reached more than 10 percent this year, which means the cost of everything we buy and use has increased during the year. At the same time, the UK Government has agreed national pay rises for Council and school staff without providing funding for them. To ensure that we can continue to provide our services we need to review how much we charge for them.

It is proposed that as a Council we adopt the principle of increasing our charges in line with increased inflation costs or to ensure we recover all cost of providing our services.

**Do you agree or disagree with the proposed principles:**

|                                                                              | Strongly Agree | Tend to Agree | Tend to Disagree | Strongly Disagree |
|------------------------------------------------------------------------------|----------------|---------------|------------------|-------------------|
| Increase our fees and charges in line with inflation rises                   | 58 (13.6%)     | 186 (43.7%)   | 109 (25.6%)      | 73 (17.1%)        |
| Increase our fees and charges to recover all costs of providing our services | 35 (8.9%)      | 132 (33.6%)   | 135 (34.4%)      | 91 (23.2%)        |

**Are there any comments you would like to make about the proposed principles around increasing fees and charges**

140 (100.0%)

To minimise the impact of the proposed increases to fees and charges the Council is proposing the introduction of a Residents App which will give people who live in Swansea access to offers and discounts.

**Do you agree or disagree with the proposal to introduce a Resident App?**

|                |                   |                |                  |               |                     |               |                      |
|----------------|-------------------|----------------|------------------|---------------|---------------------|---------------|----------------------|
| 103<br>(24.0%) | Strongly<br>Agree | 189<br>(44.0%) | Tend to<br>Agree | 73<br>(17.0%) | Tend to<br>Disagree | 65<br>(15.1%) | Strongly<br>Disagree |
|----------------|-------------------|----------------|------------------|---------------|---------------------|---------------|----------------------|

This proposed principle to increase charges in line with increased inflation costs or to ensure we recover all costs of providing our services would also apply to car parking charges. To minimise the impact of the proposed increased the Council is proposing to introduce a discounted residents rates for some car parks.

**Do you agree or disagree with the proposal to introduce a discounted residents' rates for some car parks?**

|                |                   |                |                  |               |                     |               |                      |
|----------------|-------------------|----------------|------------------|---------------|---------------------|---------------|----------------------|
| 143<br>(33.3%) | Strongly<br>Agree | 179<br>(41.7%) | Tend to<br>Agree | 61<br>(14.2%) | Tend to<br>Disagree | 46<br>(10.7%) | Strongly<br>Disagree |
|----------------|-------------------|----------------|------------------|---------------|---------------------|---------------|----------------------|

This proposed principle to increase charges in line with increased inflation costs or to ensure we recover all cost of providing our services would also apply to charges to Social Care Services. Our Social Services Charging Policy has been produced in accordance with the legal requirements set out in The Social Services and Well-being (Wales) Act 2014 ("the Act") and sets out Swansea Council's position on charging for social care. It is proposed that where services are currently charged, these charges will be increased by only 10%. Maximum charging and means testing will still apply as per the current policy. Details of the policy and list of charges current applied can be found here.

If you need any further information in relation to the proposed increase in charges for social care please contact us on the details below:

Email: SWInbox@swansea.gov.uk

Tel: 01792 636322

**Do you currently pay for Social Care Services?**

|             |     |
|-------------|-----|
| 28 (6.6%)   | Yes |
| 397 (93.4%) | No  |

**Would you prefer to pay more for those services rather than see a reduced level of service?**

|             |     |
|-------------|-----|
| 185 (54.4%) | Yes |
| 155 (45.6%) | No  |

**Are there any comments you would like to make about how this will affect you?**

86 (100.0%)

**Budget Proposals: Cultural Services**

**Do you agree or disagree with the following proposals:**

|                                                                                                                                                                                                                                                                                                             |                   |                  |                     |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|---------------------|----------------------|
|                                                                                                                                                                                                                                                                                                             | Strongly<br>Agree | Tend to<br>Agree | Tend to<br>Disagree | Strongly<br>Disagree |
| The Council currently contributes around £650,000 of funding to the National Waterfront Museum per year which makes up 35% of the total funding for this venue. We propose to review the current funding arrangements and look to reduce the Council's contribution by £100,000 a year for the next 3 years | 200<br>(46.7%)    | 150<br>(35.0%)   | 49<br>(11.4%)       | 29 (6.8%)            |

The Council currently contributes around £300,000 of funding to the Wales National Pool per year which makes up 50% of the total funding for this venue. We proposed to review the current funding arrangements post December 2023 when the current arrangements cease.

|         |         |         |           |
|---------|---------|---------|-----------|
| 176     | 149     | 62      | 39 (9.2%) |
| (41.3%) | (35.0%) | (14.6%) |           |

### Budget Proposals: Waste, Parks and Cleansing

#### Do you agree or disagree with the following proposals:

|                                                                                                                                                                                                                                                                                                                                                     | Strongly Agree | Tend to Agree  | Tend to Disagree | Strongly Disagree |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|------------------|-------------------|
| At present if individual collections are missed, often due to being put out late, people can ring up and the service will return to collect. The proposal is to remove this facility from April 2023. This will not include those who receive assisted collections, or instances where whole streets are missed. This will save the Council £30,000 | 230<br>(54.1%) | 100<br>(23.5%) | 42 (9.9%)        | 53<br>(12.5%)     |
| Residents and businesses are currently charged for the disposal of non-household waste at the Baling Plant in Llansamlet. The weighbridge is used and charged applied by weight. We propose to increase this charge by 7.5%                                                                                                                         | 153<br>(36.0%) | 172<br>(40.5%) | 48<br>(11.3%)    | 52<br>(12.2%)     |

### Budget Proposals: Highways and Transport

#### Do you agree or disagree with the following proposals:

|                                                                                                                                                                                                                                                                                                                                                                                                                | Strongly Agree | Tend to Agree  | Tend to Disagree | Strongly Disagree |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|------------------|-------------------|
| To ensure consistency with other charging arrangements we proposed to charge for the use of public space. At present a number of markets and car boot sales take place across the city. We propose to introduce a charge per event to hold these at the following locations: Uplands Market, Dairy Car Park Market and High Street Multi Storey Car Park. The charge would be for those organising the events. | 153<br>(35.7%) | 160<br>(37.3%) | 67<br>(15.6%)    | 49<br>(11.4%)     |
| Proposal to purchase an additional Parking Enforcement Car. These are used to enforce parking measures in bus stops, schools, keep clear markings, taxi ranks, and areas where stopping or loading is prohibited. This will lead to increase levels of public safety on the highway due to higher levels of compliance.                                                                                        | 117<br>(27.3%) | 101<br>(23.5%) | 82<br>(19.1%)    | 129<br>(30.1%)    |

### Budget Proposals: Car Parking

We propose to introduce car parking charges in larger council-owned car parks that are currently free. We want to ensure that customers wanted to use these car parks have the opportunity to do so. This will contribute to the management and maintenance of the car parks and also encourage increased turnover freeing up spaces to allow more people to use them.

#### Do you agree or disagree with introducing charges in larger Council run car parks in the following areas:

|           | Strongly Agree | Tend to Agree  | Tend to Disagree | Strongly Disagree |
|-----------|----------------|----------------|------------------|-------------------|
| Morrison  | 82<br>(19.6%)  | 114<br>(27.2%) | 104<br>(24.8%)   | 119<br>(28.4%)    |
| Gorseinon | 79<br>(18.9%)  | 115<br>(27.6%) | 100<br>(24.0%)   | 123<br>(29.5%)    |

|                                    |               |                |               |                |
|------------------------------------|---------------|----------------|---------------|----------------|
| Fendrod Lake                       | 82<br>(19.5%) | 113<br>(26.8%) | 99<br>(23.5%) | 127<br>(30.2%) |
| South Beach, Trawler road (Marina) | 84<br>(20.1%) | 124<br>(29.7%) | 89<br>(21.3%) | 120<br>(28.8%) |

### Proposed Tariffs for Copr Bay Car Parks

Here are the proposed tariffs for Copr Bay Car Park including a discounted residents tariff for Swansea Residents. The residents' discount tariffs will be available if the new tariffs go live on 1st April.

#### Do you agree or disagree with the proposed car park charges for Copr Bay Car Parks?

|               |                |                |               |                |                  |                |                   |
|---------------|----------------|----------------|---------------|----------------|------------------|----------------|-------------------|
| 59<br>(14.0%) | Strongly Agree | 111<br>(26.4%) | Tend to Agree | 124<br>(29.5%) | Tend to Disagree | 127<br>(30.2%) | Strongly Disagree |
|---------------|----------------|----------------|---------------|----------------|------------------|----------------|-------------------|

### Proposed Tariffs for Park and Ride Services

During the Covid pandemic both Landore and Fabian Way Park and Ride sites were closed. As restrictions eased both sites reopened and the price of the service was reduced from £2.50 to £1.00.

Income and observations indicates that the uptake of this Park and Ride offer has been low with city centre workers appearing to be using the Mi Permit App to pay for 1 hour car parking at £1 and then pay £2 for all day parking after 9:30am. Whilst the car parks appear full each day the turnover of spaces is low. Rather than encouraging visitors into the city centre, spaces are being occupied by city centre workers. To encourage customers (including city centre workers) to return to using the service it is proposed to keep the £1 tariff and not return the price to £2.50 until 1st April 2024.

#### Do you agree or disagree with the proposals to to keep the £1 Park and Ride tariff and not return the price to £2.50 until 1st April 2024

|                |                |                |               |               |                  |               |                   |
|----------------|----------------|----------------|---------------|---------------|------------------|---------------|-------------------|
| 153<br>(35.7%) | Strongly Agree | 169<br>(39.5%) | Tend to Agree | 56<br>(13.1%) | Tend to Disagree | 50<br>(11.7%) | Strongly Disagree |
|----------------|----------------|----------------|---------------|---------------|------------------|---------------|-------------------|

### Overnight parking charges

We propose that a £3 charge be introduced in all city centre car parks for overnight parking (9pm to 8am) excluding Copr Bay (Arena car parks) where an overnight tariff is already proposed.

#### Do you agree or disagree with the proposals to introduce £3 charge in all city centre car parks for overnight parking (9pm to 8am) excluding Copr Bay where an overnight tariff is already proposed.

|                |                |                |               |              |                  |               |                   |
|----------------|----------------|----------------|---------------|--------------|------------------|---------------|-------------------|
| 160<br>(37.6%) | Strongly Agree | 181<br>(42.6%) | Tend to Agree | 39<br>(9.2%) | Tend to Disagree | 45<br>(10.6%) | Strongly Disagree |
|----------------|----------------|----------------|---------------|--------------|------------------|---------------|-------------------|

### Sunday Parking Charges

At present all city centre car parks and Copr Bay car park are free to customers on Sundays. It is proposed to introduce parking tariffs seven days a week to be consistent with the current beach and foreshore car park tariffs which include Sundays. To contribute to operational costs and ensure that the Car Parks are staffed and maintained properly, for the safety and convenience of our customers, it is considered appropriate that a modest charge should be applied in city centre car parks for Sunday parking. It is proposed that tariffs of £1 for up to one hour and £2 all day be introduced.

#### Do you agree or disagree with the proposals to introduce Sunday car park charges city centre car parks at a tariff of £1 for up to one hour and £2 all day.

|                |                |                |               |               |                  |               |                   |
|----------------|----------------|----------------|---------------|---------------|------------------|---------------|-------------------|
| 120<br>(27.9%) | Strongly Agree | 162<br>(37.7%) | Tend to Agree | 52<br>(12.1%) | Tend to Disagree | 96<br>(22.3%) | Strongly Disagree |
|----------------|----------------|----------------|---------------|---------------|------------------|---------------|-------------------|

## Other Comments

**If you have any comments about the budget proposals or anything else contained in the Cabinet budget report please write in here:**

167 (100.0%)

### Welsh Language Impact:

**Do you have any concerns or evidence to suggest that the Council is treating/using the Welsh language less favourably than English in relation to its proposed budget for 2022/23?**

226 (100.0%)

**If yes, please give details and state how the budget suggested will affect opportunities to use the Welsh language in your view?**

20 (100.0%)

**What changes could be made in order to have a more positive effect on the Welsh language?**

81 (100.0%)

## About You: Finding out who has taken part

In accordance with Data Protection law, any information requested on the following questions is held in the strictest confidence for data analysis purposes only. For further information about how Swansea Council uses your personal data, please see our corporate privacy notice on our website [www.swansea.gov.uk/privacynotice](http://www.swansea.gov.uk/privacynotice).

### Are you...?

|             |                                    |
|-------------|------------------------------------|
| 159 (37.6%) | Male                               |
| 227 (53.7%) | Female                             |
| 2 (0.5%)    | Prefer to self-describe (write in) |
| 35 (8.3%)   | Prefer not to say                  |
| 2 (100.0%)  |                                    |

### Is your gender you identify with the same as that which you were assigned at birth?

|             |                   |
|-------------|-------------------|
| 375 (89.5%) | Yes               |
| 4 (1.0%)    | No                |
| 40 (9.5%)   | Prefer not to say |

### How old are you ...

|             |          |            |                   |
|-------------|----------|------------|-------------------|
| 0 (0.0%)    | Under 16 | 80 (19.0%) | 56 - 65           |
| 7 (1.7%)    | 16 - 25  | 38 (9.0%)  | 66 - 75           |
| 54 (12.9%)  | 26 - 35  | 12 (2.9%)  | 76 - 85           |
| 104 (24.8%) | 36 - 45  | 4 (1.0%)   | Over 85           |
| 91 (21.7%)  | 46 - 55  | 30 (7.1%)  | Prefer not to say |

### How would you describe your national identity?

**Please mark all that apply**

|             |          |           |                                                                         |
|-------------|----------|-----------|-------------------------------------------------------------------------|
| 217 (51.7%) | British  | 1 (0.2%)  | Other British (please write in at end)                                  |
| 226 (53.8%) | Welsh    | 6 (1.4%)  | Non British (please write in at end)                                    |
| 13 (3.1%)   | English  | 0 (0.0%)  | Refugee/Asylum Seeker (please write in current/last nationality at end) |
| 4 (1.0%)    | Irish    | 21 (5.0%) | Prefer not to say                                                       |
| 2 (0.5%)    | Scottish |           |                                                                         |

*Write in here*

5 (100.0%)

**To what 'ethnic' group do you consider you belong...**

|             |                                                             |           |                                                     |
|-------------|-------------------------------------------------------------|-----------|-----------------------------------------------------|
| 368 (88.7%) | White - Welsh, English, Scottish, Northern Irish or British | 1 (0.2%)  | Asian or Asian British - Pakistani                  |
| 3 (0.7%)    | White - Irish                                               | 0 (0.0%)  | Asian or Asian British - Bangladeshi                |
| 0 (0.0%)    | White - Gypsy or Irish Traveller                            | 0 (0.0%)  | Asian or Asian British - Chinese                    |
| 0 (0.0%)    | White - Roma                                                | 0 (0.0%)  | Any other Asian background (please write in at end) |
| 7 (1.7%)    | Any other White background (please write in at end)         | 0 (0.0%)  | Black or Black British - Caribbean                  |
| 0 (0.0%)    | Mixed - White & Black Caribbean                             | 1 (0.2%)  | Black or Black British - African                    |
| 0 (0.0%)    | Mixed - White & Black African                               | 0 (0.0%)  | Any other Black background (please write in at end) |
| 1 (0.2%)    | Mixed - White & Asian                                       | 0 (0.0%)  | Arab                                                |
| 1 (0.2%)    | Any other Mixed background (please write in at end)         | 3 (0.7%)  | Other ethnic group ( please write in at end)        |
| 1 (0.2%)    | Asian or Asian British - Indian                             | 29 (7.0%) | Prefer not to say                                   |

*Write in here*

6 (100.0%)

**What is your religion?****Please mark one box or write in**

|             |                               |            |                   |
|-------------|-------------------------------|------------|-------------------|
| 189 (46.2%) | No religion                   | 1 (0.2%)   | Muslim            |
| 164 (40.1%) | Christian (all denominations) | 0 (0.0%)   | Sikh              |
| 4 (1.0%)    | Buddhist                      | 5 (1.2%)   | Other             |
| 2 (0.5%)    | Hindu                         | 44 (10.8%) | Prefer not to say |
| 0 (0.0%)    | Jewish                        |            |                   |

*Any other religion or philosophical belief (please write in)*

8 (100.0%)

**What is your sexual orientation**

|             |              |            |                   |
|-------------|--------------|------------|-------------------|
| 18 (4.4%)   | Bisexual     | 72 (17.7%) | Prefer not to say |
| 18 (4.4%)   | Gay/ Lesbian | 2 (0.5%)   | Other             |
| 297 (73.0%) | Heterosexual |            |                   |

*Please write in*

4 (100.0%)

**Can you understand, speak, read or write Welsh?****Please mark all that apply**

|            |                         |             |                   |
|------------|-------------------------|-------------|-------------------|
| 86 (20.6%) | Understand spoken Welsh | 64 (15.3%)  | Learning Welsh    |
| 47 (11.3%) | Speak Welsh             | 220 (52.8%) | None of these     |
| 46 (11.0%) | Read Welsh              | 47 (11.3%)  | Prefer not to say |
| 31 (7.4%)  | Write Welsh             |             |                   |

**Which languages do you use from day to day?****Please mark all that apply**

|             |         |           |                   |
|-------------|---------|-----------|-------------------|
| 384 (92.1%) | English | 4 (1.0%)  | Other (write in)  |
| 42 (10.1%)  | Welsh   | 31 (7.4%) | Prefer not to say |

*Please write in*

9 (100.0%)

**Do you have any physical or mental conditions or illnesses lasting or expecting to last 12 months or more?**

|             |                   |
|-------------|-------------------|
| 96 (23.1%)  | Yes               |
| 261 (62.9%) | No                |
| 58 (14.0%)  | Prefer not to say |

**Do any of your conditions or illnesses reduce your ability to carry out day-today activities?**

|             |                   |
|-------------|-------------------|
| 66 (16.2%)  | Yes               |
| 280 (68.8%) | No                |
| 61 (15.0%)  | Prefer not to say |

**Thank you for your participation**

## Appendix 2

### Formal Response from Swansea Trades Council:

#### PROPOSALS 2023

Swansea trades council is the body that co-ordinates and joins together the TUC affiliated trade unions in the Swansea area. We are affiliated to the Wales TUC. We promote the interests of our affiliated trade union branches both in terms of defending the pay, jobs, terms and conditions of trade union members, but also the public services which they provide and upon which our community depends.

We note that the Council cabinet met to agree its 2023 budget proposals on the 22<sup>nd</sup> of December and initiated a public consultation exercise ending on 31<sup>st</sup> January. As this includes the Christmas and new year period, it allows very little time for organisations to meet and agree a comprehensive response. In addition, the consultation document appears to be targeted mainly at individuals and is framed to encourage members of the public to prioritise some services over others. There is an assumption throughout the document that some cuts to services will have to be made (although this is phrased as savings rather than cuts to make it appear less painful than it really is). The consultation also asks members of the public to indicate whether they would be prepared to pay charges for some services rather than lose them or to pay higher council tax for services rather than lose them.

Swansea council therefore presents the public with a choice between severe cuts to services or less severe cuts accompanied by new or increased charges and/or a higher than inflation council tax increase. We in Swansea trades council are not prepared to buy in to that scenario. Our starting point as a trade union body is to defend the services that the people of Swansea need and also to resist further attacks on living standards in the midst of a cost of living crisis. That is why we have chosen not to complete the survey produced by Swansea council, but instead we are presenting this written response and circulating it to the trade union movement in Swansea.

We note that the City and County of Swansea has been allocated an additional sum of around £30m in extra funding from Welsh Government for 2023/24, a rise of around 7%. This is similar to the £33.9m allocated for last year.

The council estimates that £45m would be needed to maintain services at current levels, leaving a shortfall of £15m. However, when we take into account spiralling costs, especially energy costs, the council estimates that 'savings' (cuts) of £25m will be needed this year. These 'savings' (cuts) could include the loss of 68 council posts which would be achieved by not filling existing vacancies or voluntary redundancy if possible. However, compulsory redundancy is not ruled out.

The only alternative posed by the council to mitigate this is charging for services or higher council tax.

This is not acceptable. The council admitted in the 2022 budget document that it had already made 'savings' (cuts) of £70m under the Sustainable Swansea strategy since 2013. The strategy of trimming back services year after year is no strategy at all. It is simply a capitulation to the underfunding of local authorities pursued by the Westminster Government and transmitted onwards by the Welsh Government.

We accept that the council is required by law to present a balanced budget, but we believe that this is possible without having to resort to cuts or large council tax rises. The council should explore every avenue including use of reserves, borrowing and zero impact income generation to ensure that services can be maintained and improved this year.

However, we also recognise that a strategy based on borrowing and use of reserves cannot be a long - term strategy either. The only way to resolve the crisis in local government funding is to demand and campaign for more funding from Welsh Government



(and ultimately from the Westminster Government). To achieve this, the Labour council in Swansea must adopt a totally different approach. They must abandon the submissive stance of simply administering and passing on Tory cuts. The trade unions are currently showing the way by fighting back against austerity. Health and education unions do not meekly accept the word of Welsh Government when they claim they cannot afford inflation – proof pay rises. They demand that Welsh Government fights for more funding.

We call on Swansea council to:-

- Use reserves and prudential borrowing powers to avoid making any further cuts to jobs and services this year. Reject the advice that current reserves cannot be touched.
- Reject any privatisation of council services and bring all services back in – house.
- Demand that Welsh Government provides adequate funding for this and future years. Campaign for sufficient funding to restore the services cut since 2013 as a minimum.

Swansea trades council will be calling on trade unionists in Swansea to join a lobby of the full council meeting which will vote on the budget proposals on 2<sup>nd</sup> March to demand a legal needs - led budget for 2023/24 as per Wales TUC conference policy.



Wales National Pool Swansea  
Pwll Cenedlaethol Cymru Abertawe

## Swansea Council Budget Proposals 2023 – Public Consultation Response

### on behalf of Wales National Pool Swansea (WNPS)

The response provided below refers to the budget proposal relating to Wales National Pool Swansea (WNPS) i.e. *“We propose to review the current funding arrangements post December 2023 when the current arrangements cease”*.

WNPS, its staff and its board of directors, fully understands the current financial pressures that Swansea Council is facing. We also understand why Swansea Council are proposing to review the current funding arrangements for WNPS as it could offer a cost saving opportunity for the Council.

WNPS have substantial concerns that if the Council were to withdraw their support for the pool and stop their current funding arrangement then this would have a significant negative impact on the ability of WNPS to continue operating in its current state and put at risk the provision of swimming we currently provide to the University, Swansea, and the people of Wales. Ultimately, we believe it could directly lead to the closure of the pool in its current state.

Since opening in 2003, Wales National Pool Swansea has been an important and successful asset for the Region, delivering a performance base for over twenty Olympians and Paralympians, attracting more than 5 million visitors, hosting a range of major international events, providing a home for a wide array of community groups, and supporting in excess of 25,000 children and adults from our community to learn to swim. This is vitally important for the city of Swansea as it is surrounded by coastline and rivers. These achievements are a direct result of the unique partnership between Swansea Council and Swansea University. Without such a partnership WNPS would have never come into existence and would not have been able to function as a world class aquatic center for the past 20 years.

Even though the pool currently operates at a loss to both Swansea University and Swansea Council, it is well documented in the industry (and was recognized by both Partners when the pool was built and the current funding model agreed) that Olympic swimming pools, in isolation, are not commercially sustainable, and require ongoing financial subsidy to run. WNPS supports the sporting ambition of the University, the City of Swansea, and the whole of Wales. It also raises the profile of Swansea, services our local population, attracts investment to the area and helps to make Swansea the vibrant, attractive city it is.

If the pool were to close or be unable to operate in its current state this would have a very real negative impact on the area and its population. It would limit potential investment in the city and the University, make the University a less attractive destination for potential students, severely impact the world class programs that Swim Wales and Sport Wales are able to offer,

and would have a very damaging impact on the health and wellbeing of our local population, particularly those people of all ages who want to learn to swim and be able to enjoy all our amazing beaches and coastline without fear of water and the sea. It would also put at risk the ambition of both the University and the Council to make Swansea the 'capital of sport' within Wales.

The current partnership arrangements for WNPS, between Swansea Council and Swansea University, finishes on Sunday 24th of December 2023. If either of the current partners were to withdraw their funding for the pool, it is the belief of the board of directors, senior management, and staff of WNPS, that the pool could face a significant risk of either closure, or at the very least redevelopment of the facility in its current state to reduce operating costs.

WNPS currently has over a hundred employees. Our staff are a professional, committed, and loyal team, many of whom have worked at the facility since it opened 20 years ago. The team are aware and very anxious about the ending of the current partnership arrangements and are very conscious of the fact that were the Council to end their partnership with the pool, then they will face the very real threat of job losses and redundancies. These job losses, coupled with the effects on the wider supply chain within the University and the surrounding area, would have a very real negative impact on the local economy and our people.

WNPS, and everyone who works within the pool and on behalf of the pool, is fully committed to working with both Swansea Council and Swansea University to explore options on how we can improve efficiencies across our business models, strategy and operational processes. This may include new ways of working, improving our current operating model, investing in green energy to reduce future operating costs, creating new strategic partnerships with other third-party organisations, and developing a strategy that is aligned with the long-term vision and strategy of both Swansea Council and Swansea University. We want to continue working with both the Council and University to achieve this.

The board of WNPS strongly urges Swansea Council to commit to their partnership with Swansea University beyond December 2023. We would welcome any opportunity to discuss the future of WNPS in greater detail with Swansea Council and its representatives and commit to working with the Council to find a future operating model that works for everyone and brings true benefit to the city of Swansea and the surrounding area.

Greg Garner, Chair Wales National Pool Swansea, on behalf of the Board of Directors, Senior Management and staff of WNPS.

*Greg Garner*

Amgueddfa Cymru  
Parc Cathays  
Caerdydd  
CF10 3NP  
Ffôn: 0300 111 2 333

Amgueddfa Cymru – Museum Wales  
Cathays Park  
Cardiff  
CF10 3NP  
Tel: 0300 111 2 333

25/01/2023

**Amgueddfa Cymru response to Swansea Council budget proposal:**

*The Council currently contributes around £650,000 of funding to the National Waterfront Museum per year which makes up 35% of the total funding for this venue. We propose to review the current funding arrangements and look to reduce the Council's contribution by £100,000 a year for the next 3 years.*

On behalf of Amgueddfa Cymru-Museum Wales (AC) I wish to respond to this proposal by making the following observations:

1. If this proposal were to be adopted by Swansea Council (SC), this would be in breach of the 25-year Operational Agreement between Amgueddfa Cymru and Swansea Council, signed on 6 October 2005. This agreement was brokered by the (then) Heritage Lottery Fund as a condition of their grant of c.£11.5m towards the building and fit-out of the museum.

Clause 3.1 of this agreement states:

*'...this Agreement shall continue for a period of 25 years from 6th October 2005 and thereafter until such time as terminated by either NMGW [Amgueddfa Cymru] or the [Swansea] Council giving no less than two years' notice in writing to the other parties, such notice to expire on an Anniversary Date of this Agreement and not to be given prior to the twenty third Anniversary Date.'*

As the Agreement was signed in October 2005, the 23rd Anniversary Date referred to here would fall on 6 October 2028.

2. The creation of the National Waterfront Museum between 1999 and 2005 was a project costing almost £34m. The funding for this came from a number of public organisations, which invested in the project with the assurance of the 25-year agreement between Amgueddfa Cymru and Swansea Council. If this agreement were to be ended then it is likely that some of these organisations could request a proportionate re-imburement of their contributions, which totalled around £19m.
3. If the proposed reduction in its share of funding by Swansea Council commences in April 2023, there is no time for Amgueddfa Cymru to respond to this cut to the operating budget in its upcoming financial year. Nor is there time for the partners and their holding charitable company, NWMS Ltd, to explore alternative sources of support to maintain the operation the museum under the terms of the agreement.
4. It is noted that Swansea Council will be meeting with Amgueddfa Cymru in early February to discuss the implications of this proposal and explore resolution collaboratively.



Janice Lane: Director of Visitor Experience

Mae croeso i chi gysylltu â ni yn Gymraeg, byddwn yn eich ateb yn Gymraeg ac ni fydd yn arwain at oedi.  
We welcome correspondence in Welsh and we will answer you in Welsh. This will not lead to any delay.



Cofnogr gan  
Lywodraeth Cymru  
Supported by  
Welsh Government

Llywydd Dros Dro | Acting President - Dr Carol Bell PhD DLitt FLSW FSA  
Trysorydd | Treasurer – Hywel John FCA  
Cyfarwyddwr Cyffredinol | Director General – David Anderson OBE

Rhif elusen | Charity number - 525774  
Rhif TAW | VAT number – GB 783 4541 10

## Integrated Impact Assessment (IIA) Statement for Swansea Council's Budget 2023/24

### 1. Introduction

This statement provides an overall view of the budget IIA process for the Council, along with any specific relevant details for 2023/24.

The budget is set for the council's operation which covers a wide range of services delivered to the citizens of Swansea. This includes both providing and commissioning of services from other organisations and agencies.

We, like other local authorities, will be facing a reduction in budgets every year for the foreseeable future. We also need to manage increased expectation and demand for services and financial pressures in a number of areas across the Council.

The council has faced unprecedented financial pressures over the last few years due to government budget reductions, increased demand for services and extra costs such as teachers' pay and pensions. We think our funding from Welsh Government, whilst substantially positive this year, will not increase our immediate real terms spending power, nor is it likely to increase significantly in future years. This means we will continue to have less to spend in real terms at a time when demand for services like social care is rising. The result of this is a need to find savings of £24.839m in 2023/24 next year and roughly a further £50m savings over the next three years.

Change is already taking place and over the last few years the council has cut costs by being more efficient and more effective in what we do. But this is not enough to meet the scale of cuts and ensure council services are sustainable and fit for the future. Clearly, the sheer amount of savings required means that difficult decisions and potential impacts are inevitable. However, we continue to focus on mitigating any adverse impacts via our IIA process as well as officer expertise.

During 2020, the authority updated and replaced the 'Sustainable Swansea - Fit for the Future' strategy with the new 'Swansea – Achieving Better Together' transformation strategy and programme framework as a means of setting Council priorities, transforming services and addressing current and future deficits.

In November 2022 there was a further report to Cabinet detailing the Council's transformation strategy, vision and goals for 2022 – 2027.

The Council has adopted a number of Budget Principles that underpin the budget strategy:

|                               |                                     |
|-------------------------------|-------------------------------------|
| <i>Everything is included</i> | <i>Increased income</i>             |
| <i>Engagement</i>             | <i>Different models of delivery</i> |

|                                 |                                        |
|---------------------------------|----------------------------------------|
| <i>We will have less money</i>  | <i>Supporting those at risk</i>        |
| <i>Demonstrating efficiency</i> | <i>Evidence base</i>                   |
| <i>Cutting Red Tape</i>         | <i>Sustainable outcomes/prevention</i> |
| <i>Full cost recovery</i>       | <i>Personal Responsibility</i>         |

All Services must apply and be consistent with these Budget Principles. All Services are also required to address these Principles as part of business planning and developing savings proposals.

In terms of equality, the council is committed to protecting the vital frontline services that matter most to the people of Swansea, tackling poverty and looking after the most vulnerable in our communities. This will continue, although services may be delivered in different ways in future.

## **2. The Integrated Impact Assessment (IIA) process**

The council has had an EIA process in place for a number of years which was reviewed in 2021 and replaced with Integrated Impact Assessments (IIA). The process covers:

- The nine protected characteristics covered by the Equality Act 2010
- The Public Sector Equality Duty for Wales
- Well-being of Future Generations Act (Wales) 2015
- Consultation and engagement
- Poverty and social exclusion
- Welsh language
- United Nations Convention on the Rights of the Child (UNCRC)
- Carers
- Community cohesion
- Human rights principles.

In order to apply the IIA process, officers follow these steps:

- An initial screening exercise (to identify whether a full IIA report is necessary)
- Completion of a full IIA report (where required)
- Quality assurance and feedback
- Sign off at Head of Service level

- Publication on the Council's website alongside the relevant report
- Review.

Officers have access to dedicated departmental support from members of the Access to Services Team who co-ordinate the quality assurance of IIAs whilst also offering advice and guidance.

The process does not change for specific budget proposals. All year 1 proposals have completed an IIA screening form and these have been provided to Cabinet for consideration.

### **3. Assessing impact**

Due to both the nature of the proposals being considered and the regulatory framework around IIAs, many now take a number of months to reach a conclusion. The budget planning process operates over a 3-year period, with many proposals being considered, designed and altered prior to implementation over this time period.

Officers are always advised to undertake the initial screening as early as they can, with (if required) a full IIA report then opened as soon as possible. This is then completed as proposals are worked through and means that we are now working on budget IIAs throughout the year.

As a result, the assessment of impact is not a one-off exercise – it is a continuing process.

To ensure an ongoing rigorous process, the following elements are of note:

- Where officers have concerns and/or queries, meetings are held with the Access to Services Team to look at both the proposal and the IIA
- IIA reports are often added to over a period of time, e.g. following consultation and engagement activities, following changes to the detail of proposals
- Quality assurance is carried out by officers with expertise in the areas of equality, Welsh language, poverty and the UNCRC
- Where a proposal has potential adverse impacts, officers utilise the IIA process to focus on mitigation
- Where a proposal has potential adverse impacts that cannot be mitigated, the IIA is referred to senior managers for attention and consideration.

In addition, with a number of both commissioning and other reviews underway across the organisation, the total or overall impact of the proposed budget is difficult to fully assess at any point of implementation, particularly with the IIA process being a continuing feature as proposals are further developed.

Therefore, we will continue to publish each IIA report with the relevant corporate report at: <http://democracy.swansea.gov.uk/ieDocHome.aspx?bcr=1&LLL=0?Lang=eng>

#### 4. Consultation and engagement

Whilst there is a specific regulation around engagement (contained within the Public Sector Equality Duty for Wales), our 'Swansea – Achieving Better Together' strategy contains a substantial emphasis on consultation and engagement too.

Corporate budget consultation takes place on the proposed budget as a whole, and when needed, a wide variety of specific proposals. Others specific proposals are consulted on using service-specific groups and/or activities if required.

Corporately, the consultation results are reported separately via the budget reports themselves.

#### 5. Local information

The Council delivers services to all the citizens of the City & County of Swansea. The Council delivers services to all the citizens of the City & County of Swansea. The overall population profile from the latest population estimates (2021) and 2021 Census is as follows:

- Within an overall population of **237,800**, the gender split of the **City & County of Swansea** is **50.7% Female** (120,700 people) and **49.3% Male** (117,100 people).
- Children and young people **aged 0-25 years** represent **31.0%** of the population, or **73,700** people.
- **Over 50s** represent **40.2%** of the population (95,500 people), of which around **49,200** are over 65 (20.7% of the total population).
- In 2021, **8.6%** of the total population of Swansea (around **20,400** people) came from an ethnic minority background. In terms of religion, **11,300** people (**4.7%** of the population) belonged to non-Christian faiths with **47.3%** (112,700 people) having no religion.
- **22.4% (53,500 people)** were disabled under the Equality Act in 2021 **6.3%** of those aged 16+ (**12,500 people**) were economically inactive due to long term sickness or disability.
- There were **26,000** Welsh speakers in Swansea in 2021, or **11.2%** of the population aged 3+. **42,500** people (18.3%) had one or more skills in Welsh.

Further information about Swansea's population can be found at [www.swansea.gov.uk/keyfacts](http://www.swansea.gov.uk/keyfacts)

Officers consider the particular service users or groups affected when applying the IIA process.

#### 6. Staffing

The Cabinet report in December 2022 referred to 68 posts at risk throughout the Authority, not including any impact in schools (this figure has since reduced). Heads of Service have been provided with the same advice as in previous years that where post is at risk consideration should be given as to whether there is any potential adverse impact and to follow the IIA process. Unions to minimise the number of compulsory redundancies in the future.



The groups of staff likely to be most at risk (no options can be ruled out at this stage) are those affected by service savings in Corporate Services, Finance and Place.

Consultation will take place with the Trade Unions as required and any issues raised will be considered.

Based on current information it is anticipated that there will be some changes to the staffing figures as a result of:

- ERVR applications
- Not filling vacant posts
- Flexible Working requests, i.e. reduced hours
- Flexible Retirement
- Redeployment
- Bumped redundancies
- Residual very limited risk of compulsory redundancies but work to mitigate this to the absolute minimum continues

These figures will be updated on an ongoing basis.

HR & OD are constantly working with redeployees to secure them alternative positions. Employees at risk, i.e. those who have not been served notice, can also be considered for redeployment.

In addition, all posts are placed on the list of posts for employees at risk in the first instance. Director and CMT approval is required in order for the posts to be advertised either on the Vacancy Bulletin or externally.

## **7. Publication Arrangements**

All IIA reports will be published as they are finalised. As mentioned earlier in this statement, due to the nature of many of the proposals this is likely to take time as assessment of impact continues to be undertaken as proposals are further developed.

## **8. Conclusion**

We know from previous years that, due to the scale of budget reductions, those with protected characteristics are likely to be affected. In assessing the impact of the budget proposals, we continue to attempt to ensure that any effect is not disproportionate and that we continue to focus on mitigation wherever possible. In this context the following should be noted:

- where IIAs show potential significant impact with no possible mitigation, these proposals will be referred for further consideration
- for those IIAs where potential significant impact has been identified and mitigation has been possible, the associated action plans will be monitored and reviewed

- the outcomes of engagement will inform IIAs
- this is an ongoing process and as noted this statement and many IIAs will remain open for varying periods of time
- there is a focus on the council doing things differently in order to further deliver services that are flexible, people-centred, meet individual needs and are sustainable for the future.

The council continues to deliver a wide range of services for all the citizens of Swansea. Many of these are of particular benefit to the areas covered by our IIA process, e.g. the protected characteristics defined within the Equality Act 2010.

As highlighted earlier in this statement, the council is committed to protecting the vital frontline services that matter most to the people of Swansea, tackling poverty and looking after the most vulnerable in our communities. The council will continue to do everything it can to meet this challenging commitment given the financial constraints it faces. However, services may be provided in a different way in line with 'Swansea – Achieving Better Together'.

## Response of the Schools Budget Forum



**Ysgol Pen-Y-Bryn**  
 Head Teacher - Mr Gethin Sutton  
 Primary and Secondary Campus - Glasbury Road, Morriston, Swansea SA6 7PA  
 Post 16 Campus - Heol Frank, Penlan, Swansea, SA5 7AH  
 Telephone: 01792 799064 Email: pen-y-bryn.school@swansea-edunet.gov.uk



Councillor Rob Stewart  
 City and County of Swansea  
 Civic Centre  
 Oystermouth Road  
 Swansea  
 SA1 3SN

18.01.2023

Dear Councillor Stewart,

### School Budget Forum Response to Budget Consultation

As always, the School Budget Forum has sought to support the discussions that have already been held and which will be held over the coming weeks. **As a statutory consultative body, the Forum expects that the points made will be carefully considered as part of any forthcoming corporate discussion of future revenue and capital budgets.** The School Budget Forum represents a considerable body of statutory provision meeting the needs of a great many pupils, families, schools and communities within Swansea.

The School Budget Forum recognises the scale of the continuing financial challenges facing the Council. Nevertheless, it has a responsibility to seek to ensure that the full implications of any budget proposals on schools and the wider education service are properly recognised by the Council before any decisions are taken.

We would suggest that the Council should take a very positive view of the outcomes achieved by schools in Swansea against the backdrop of the continuing challenges that have resulted from the global health crisis and national 'cost of living' concerns. Whilst recognising the challenges facing the council, learners' entitlement, experience and outcomes should not be jeopardised by forthcoming Council budget decisions.

Swansea schools do not fare well financially. As has been noted in previous years, the Council can do nothing about the fact that the settlement it receives from the Welsh Government is relatively poor, ranking it around 17/18<sup>th</sup> out of the 22 local authorities. The Forum is appreciative of the council's continuing relative prioritisation

of education spending which showed a net revenue increase of 6.8% in 2022-23 above the national average increase of 5.5% (Source: Welsh Government Statistical Bulletin 7 July 2022 SB 16/2022).

Schools' delegated funding within Swansea is lower than that of both of our Partneriaeth partner authorities, thus putting the city's schools at a disadvantage when compared with our regional partners. The Forum urges the council to lobby Welsh Government for a more equitable national funding formula for local authorities (and hence schools). The Forum recognises the council's commitment to the delegation of funding to schools with a delegation rate of 83.9% (87.6% excluding home to school transport) being the 5<sup>th</sup> highest of the 22 Welsh councils. However, per pupil budgeted education spending in Swansea is lower than 17 of the 22 Welsh councils and is £176 below the Welsh average (Source: Welsh Government Statistical Bulletin 7 July 2022 SB 16/2022).

It would be remiss of the Forum not to point out the impact of the global pandemic (much of which may not be fully visible for years to come), an exponential rise in energy costs, significant inflationary pressures and the resultant cost of living crisis.

The result being that despite a better than anticipated settlement and cash increase to both the Council budget and the proposed education budget, there remains a gap between this cash increase and cost pressures, requiring a significant draw on Council and school reserves. For schools, in spite of approximately £10M of cash uplift and a percentage of the Council wide £15M economic fund to meet the increase in energy costs, there remains a **real terms decrease** of around 2.2%. The Forum has concern that these pressures will increase and have a greater negative impact in years two and three of the Medium Term Financial Plan.

We have appreciated the positive response in Council Budgets over recent years to some of the recommendations previously made by the Forum, particularly:

- The recognition of the essential contribution of the Education service to the achievement of wider Council priorities
- The recognition of the severe financial pressures facing school delegated budgets and other statutory Education services

Through working closely with the Authority, schools have been better able to manage the significant pressures and increasing expectations placed upon them and to mitigate the effects of large scale redundancies on the Council.

The Forum recognises the positive work undertaken by the School Finance Group and the School Funding and Information Team (SFIT) in revising school funding formulas enabling SFIT to more swiftly calculate indicative school budgets.

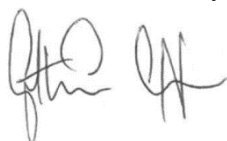
The Forum views positively the Council's stated aims of relative prioritisation of the delegated schools budget and welcomes the proposals made by the Leader in his presentation to headteachers in December. Furthermore the Forum appreciates the transparency and clarity of budgetary information the Forum receives from the Director of Finance & S151 Officer.

The Forum shares the council's belief that we must together keep up the pressure on both governments and continue to press for both fairer and better funding for education. This needs to be in two parts; firstly, the UK government needs to ensure Welsh Government is fairly funded; secondly, Welsh Government needs to address the inequity of funding for local government and secure a fairer funding model for education.

Future funding settlements must fully fund the significant areas of unavoidable cost pressures facing education services, as indeed must any future Welsh Government Budget. Decisions made by the UK or Welsh Governments that result in additional cost pressures for schools, must be wholly funded and maintained in base budget settlements. These would include teacher and other pay awards (including increases in the national minimum wage), teacher pension cost increases, changes to free school meal entitlement, revised ALN legislation against a context of already spiralling expectations of support for pupils with additional learning needs, as well as the impact of more general demographic trends. There also needs to be a more appropriate balance between the base education funding available through the revenue support grant and the increasing range of specific grants, many of which arrive late in the financial year, and all of which have their own terms and conditions. The percentage of education and schools' funding that grants currently represent is too high. However well-intentioned, such funding is inevitably time-limited, often inappropriately, with specific terms and conditions for use, and inevitably short-term focused. This method of providing funding is uncertain, inefficient and does not enable effective financial planning in the medium or longer term. Without equitable and adequate base funding for core statutory education provision, it is also potentially ineffective.

**We share the council's commitment to fight for a better deal for education and welcome the assurance to continue to prioritise education within the council's budget and pass on all new monies made available for schools or education by either government.**

Yours sincerely



**Gethin Sutton**  
Chair of Swansea Budget Forum



Believe it! Achieve it!

## Revenue Budget 2023/2024

**Corporate Services**

|                                                     | <b>ORIGINAL<br/>BUDGET<br/>2022/2023<br/>£</b> | <b>ORIGINAL<br/>BUDGET<br/>2023/2024<br/>£</b> |
|-----------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>Corporate Services Directorate</b>               |                                                |                                                |
| Director of Corporate Services                      | 150,000                                        | 191,800                                        |
|                                                     | <b>150,000</b>                                 | <b>191,800</b>                                 |
| <b>Chief Legal Officer</b>                          |                                                |                                                |
| Coroners                                            | 789,600                                        | 790,900                                        |
| Democratic Services                                 | 3,075,000                                      | 3,259,400                                      |
| Information Governance Unit                         | 182,200                                        | 171,400                                        |
| Legal Services                                      | 2,431,500                                      | 2,516,300                                      |
| Overview and Scrutiny Unit                          | 222,700                                        | 182,700                                        |
| Welsh Translation Unit                              | 325,600                                        | 286,600                                        |
|                                                     | <b>7,026,600</b>                               | <b>7,207,300</b>                               |
| <b>Head of Digital &amp; Customer Services</b>      |                                                |                                                |
| Customer Services & Complaints                      | 987,800                                        | 1,038,300                                      |
| Digital Services                                    | 9,537,900                                      | 7,050,600                                      |
|                                                     | <b>10,525,700</b>                              | <b>8,088,900</b>                               |
| <b>Head of Communications &amp; Marketing</b>       |                                                |                                                |
| Access to Services                                  | 111,300                                        | 118,600                                        |
| Human Rights                                        | 44,200                                         | 47,100                                         |
| Communications                                      | 457,000                                        | 458,700                                        |
| Corporate Marketing                                 | 278,700                                        | 267,800                                        |
| Corporate Mgt Team Support                          | 420,400                                        | 322,400                                        |
| Design and Print                                    | 216,700                                        | -76,300                                        |
| Health and Safety                                   | 1,129,200                                      | 1,193,500                                      |
| Strategic Delivery Unit                             | 766,465                                        | 667,800                                        |
|                                                     | <b>3,423,965</b>                               | <b>2,999,600</b>                               |
| <b>Head of Human Resources &amp; Service Centre</b> |                                                |                                                |
| Human Resources & Organisational Development        | 1,113,500                                      | 776,300                                        |
| Service Centre                                      | 2,330,500                                      | 2,176,100                                      |
|                                                     | <b>3,444,000</b>                               | <b>2,952,400</b>                               |
| <b>Total Corporate Services</b>                     | <b>24,570,265</b>                              | <b>21,440,000</b>                              |

# Revenue Budget 2023/2024

## Finance

|                                        | <b>ORIGINAL<br/>BUDGET<br/>2022/2023<br/>£</b> | <b>ORIGINAL<br/>BUDGET<br/>2023/2024<br/>£</b> |
|----------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>Deputy Section 151 Officer</b>      |                                                |                                                |
| Audit                                  | 724,600                                        | 739,000                                        |
| Finance DMT                            | 505,400                                        | 972,200                                        |
| Accountancy                            | 1,367,600                                      | 1,412,400                                      |
| Pensions                               | 46,800                                         | 98,200                                         |
| Treasury and Technical                 | 642,700                                        | 583,000                                        |
|                                        | <b>3,287,100</b>                               | <b>3,804,800</b>                               |
| <b>Head of Revenues &amp; Benefits</b> |                                                |                                                |
| Revenues                               | 861,500                                        | 949,000                                        |
| Benefits                               | 3,364,400                                      | 3,711,800                                      |
| Council Tax Reduction Scheme           | 24,553,000                                     | 24,262,000                                     |
|                                        | <b>28,778,900</b>                              | <b>28,922,800</b>                              |
| <b>Head of Commercial Services</b>     |                                                |                                                |
| Commercial Team & Procurement          | 704,000                                        | 760,400                                        |
|                                        | <b>704,000</b>                                 | <b>760,400</b>                                 |
| <b>Total Finance</b>                   | <b>32,770,000</b>                              | <b>33,488,000</b>                              |

# Revenue Budget 2023/2024

## Social Services

|                                                          | ORIGINAL<br>BUDGET<br>2022/2023<br>£ | ORIGINAL<br>BUDGET<br>2023/2024<br>£ |
|----------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Adult Services and Tackling Poverty</b>               |                                      |                                      |
| External Domiciliary Care                                | 3,661,700                            | 5,105,856                            |
| Internal Staffing and Services - Hubs                    | 3,383,900                            | 4,024,009                            |
| Internal Staffing and Services - Other                   | 2,242,500                            | 4,046,965                            |
| Internal Staffing and Services - Service Provision       | 13,290,750                           | 13,110,987                           |
| MH LD Complex Care                                       | 21,379,600                           | 23,547,057                           |
| Tackling Poverty Service                                 | 813,400                              | 1,027,092                            |
| Third Party Spend                                        | 1,368,000                            | 1,349,719                            |
|                                                          | <b>46,139,850</b>                    | <b>52,211,685</b>                    |
| <b>Child &amp; Family Services</b>                       |                                      |                                      |
| Adolescent and Young People's Services                   | 2,298,500                            | 2,867,443                            |
| Adoption Services                                        | 2,126,900                            | 2,014,881                            |
| Care & Support Services                                  | 6,969,100                            | 6,458,705                            |
| Commissioned Services                                    | 1,647,300                            | 2,763,114                            |
| Commissioned Services - Gower Activity                   | 117,700                              | 152,550                              |
| Commissioning and Care Services                          | 5,907,600                            | 7,270,817                            |
| Commissioning and Care Services (Fostering)              | 7,685,400                            | 8,386,362                            |
| Commissioning and Care Services (Independent Placements) | 10,729,000                           | 9,878,000                            |
| Early Help and Single Point of Contact                   | 985,200                              | 1,135,054                            |
| Family Support Services                                  | 1,527,200                            | 1,798,900                            |
| Internal Staffing and Services                           | 5,936,700                            | 5,046,514                            |
| Therapy                                                  | 695,800                              | 752,776                              |
|                                                          | <b>46,626,400</b>                    | <b>48,525,116</b>                    |
| <b>Grants, Commissioning &amp; Partnerships</b>          |                                      |                                      |
| Commissioned Services                                    | 2,395,335                            | 2,772,051                            |
| Internal Staffing and Services                           | 646,400                              | 1,178,517                            |
|                                                          | <b>3,041,735</b>                     | <b>3,950,568</b>                     |
| <b>Integrated Services for Older People</b>              |                                      |                                      |
| External Domiciliary Care                                | 9,731,000                            | 10,994,986                           |
| External Residential Care                                | 19,971,450                           | 21,897,299                           |
| Internal Staffing and Services - Homecare                | 6,092,250                            | 5,827,487                            |
| Internal Staffing and Services - Hubs                    | 6,669,300                            | 4,470,414                            |
| Internal Staffing and Services - Other                   | 1,086,550                            | 2,371,162                            |
|                                                          | <b>43,550,550</b>                    | <b>45,561,348</b>                    |
| <b>Resources Hub</b>                                     |                                      |                                      |
| Internal Staffing and Services                           | 5,969,200                            | 6,726,283                            |
|                                                          | <b>5,969,200</b>                     | <b>6,726,283</b>                     |
| <b>Total Social Services</b>                             | <b>145,327,735</b>                   | <b>156,975,000</b>                   |



# Revenue Budget 2023/2024

## Education

|                                                      | <b>ORIGINAL<br/>BUDGET<br/>2022/2023<br/>£</b> | <b>ORIGINAL<br/>BUDGET<br/>2023/2024<br/>£</b> |
|------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>Delegated Schools</b>                             |                                                |                                                |
| School Cost Centres                                  | 179,045,900                                    | 189,670,000                                    |
|                                                      | <b>179,045,900</b>                             | <b>189,670,000</b>                             |
| <b>Director of Education</b>                         |                                                |                                                |
| Mgt & Admin Effectiveness                            | 159,000                                        | 163,500                                        |
| Schools At Risk                                      | 109,000                                        | 109,000                                        |
|                                                      | <b>268,000</b>                                 | <b>272,500</b>                                 |
| <b>Head of Achievement &amp; Partnership Service</b> |                                                |                                                |
| Education Improvement Service                        | 974,500                                        | 963,700                                        |
| Management Systems Unit                              | 542,500                                        | 251,400                                        |
| Welsh Service                                        | 0                                              | 0                                              |
|                                                      | <b>1,517,000</b>                               | <b>1,215,100</b>                               |
| <b>Head of Vulnerable Learner Service</b>            |                                                |                                                |
| Additional Learning Needs and Inclusion Team         | 0                                              | 0                                              |
| Behaviour, Learning Support & EOTAS                  | 6,097,300                                      | 5,996,200                                      |
| Cleaning Services                                    | 225,400                                        | 254,900                                        |
| Ethnic Minority Achievement Unit                     | 0                                              | 0                                              |
| Miscellaneous Grants                                 | 215,400                                        | 228,500                                        |
| Psychology Service                                   | 698,300                                        | 717,900                                        |
| Recoupment/Out of County                             | 761,000                                        | 761,000                                        |
| School And Governor Unit                             | 411,900                                        | 428,800                                        |
| School Meals                                         | 1,177,600                                      | 1,840,300                                      |
| SEN Statementing & Support                           | 5,944,700                                      | 5,698,900                                      |
| STF Additional Hours                                 | 1,090,700                                      | 1,092,300                                      |
| Swansea Music Service                                | 0                                              | 0                                              |
| Transport                                            | 8,613,100                                      | 8,848,100                                      |
| Welfare Service                                      | 507,500                                        | 522,600                                        |
|                                                      | <b>25,742,900</b>                              | <b>26,389,500</b>                              |

# Revenue Budget 2023/2024

## Education

|                                                     | ORIGINAL<br>BUDGET<br>2022/2023<br>£ | ORIGINAL<br>BUDGET<br>2023/2024<br>£ |
|-----------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Head of Education Planning &amp; Resources</b>   |                                      |                                      |
| Additional School Support                           | 78,100                               | 78,100                               |
| Broadband & Cloud Technology                        | 274,900                              | 274,900                              |
| Capital Planning & Delivery Unit                    | 346,700                              | 386,600                              |
| Continuing Education & Pensions                     | 418,700                              | 409,300                              |
| Education Improvement Grant for Schools             | 714,000                              | 714,000                              |
| Empty Properties                                    | 17,900                               | 17,900                               |
| FIU Funding and Information Unit                    | 0                                    | 0                                    |
| Funding & Information Unit                          | 200,000                              | 164,600                              |
| Health & Safety                                     | 84,500                               | 84,500                               |
| Learning Portal Team                                | 40,400                               | 41,400                               |
| Management & Admin-Planning & Resources             | 101,300                              | 104,200                              |
| Non Delegated - Pensions, Insurance & Public Duties | 6,669,475                            | 9,751,450                            |
| Post 16 Funding                                     | -5,279,500                           | -5,920,420                           |
| Pupil Deprivation Grant                             | -8,462,375                           | -9,598,030                           |
| Stakeholder Engagement Unit                         | 262,100                              | 421,400                              |
|                                                     | <b>-4,533,800</b>                    | <b>-3,070,100</b>                    |
| <b>Total Education</b>                              | <b>202,040,000</b>                   | <b>214,477,000</b>                   |

# Revenue Budget 2023/2024

## Place

|                                              | ORIGINAL<br>BUDGET<br>2022/2023<br>£ | ORIGINAL<br>BUDGET<br>2023/2024<br>£ |
|----------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Head of Building Services</b>             |                                      |                                      |
| Property Preventative Maintenance            | 2,861,800                            | 2,873,500                            |
| Building Services Trading                    | 1,539,300                            | 1,624,300                            |
|                                              | <b>4,401,100</b>                     | <b>4,497,800</b>                     |
| <b>Head of Property Services</b>             |                                      |                                      |
| Facilities Management                        | 2,025,685                            | 2,198,401                            |
| Strategic Estates Properties                 | 752,023                              | 550,500                              |
|                                              | <b>2,777,708</b>                     | <b>2,748,901</b>                     |
| <b>Head of Highways &amp; Transportation</b> |                                      |                                      |
| Car Parking and Enforcement                  | -3,054,700                           | -3,709,500                           |
| Transportation                               | 5,197,400                            | 5,417,000                            |
| Traffic Management                           | 1,252,900                            | 1,338,200                            |
| Central Transport                            | -619,600                             | -483,800                             |
| Engineering                                  | 610,175                              | 693,675                              |
| Highways                                     | 8,922,425                            | 7,740,725                            |
| Swansea Marina                               | -171,960                             | -172,260                             |
| Directorate and Other Costs                  | -361,800                             | -503,700                             |
|                                              | <b>11,774,840</b>                    | <b>10,320,340</b>                    |
| <b>Head of Waste Cleansing &amp; Parks</b>   |                                      |                                      |
| Household Waste Recycling Centres            | 1,563,434                            | 1,635,734                            |
| Parks                                        | 4,619,926                            | 5,038,686                            |
| Recycling and Residual Waste Collection      | 11,789,121                           | 12,344,921                           |
| Trade Refuse                                 | -424,155                             | -368,955                             |
| Neighbourhood Working                        | 6,752,464                            | 6,864,614                            |
| Directorate and Other Costs                  | 729,000                              | 806,600                              |
|                                              | <b>25,029,790</b>                    | <b>26,321,600</b>                    |
| <b>Place Directorate</b>                     |                                      |                                      |
| Place Directorate                            | 4,309,728                            | 1,357,119                            |
| Arena                                        | -326,500                             | -282,300                             |
| Temporary COVID Impacts                      | 6,000,000                            | 0                                    |
| Workstreams                                  | -828,200                             | -828,200                             |
|                                              | <b>9,155,028</b>                     | <b>246,619</b>                       |

# Revenue Budget 2023/2024

## Place

|                                                 | ORIGINAL<br>BUDGET<br>2022/2023<br>£ | ORIGINAL<br>BUDGET<br>2023/2024<br>£ |
|-------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Head of Cultural Services</b>                |                                      |                                      |
| Archives                                        | 215,350                              | 250,550                              |
| Arts                                            | 2,393,910                            | 2,227,099                            |
| Community Buildings                             | 355,100                              | 325,000                              |
| Development and Outreach                        | 283,400                              | 336,000                              |
| Libraries                                       | 3,162,600                            | 3,352,400                            |
| Sport and Recreation                            | 2,997,526                            | 2,751,160                            |
| Tourism, Marketing & Events                     | 1,985,600                            | 1,824,968                            |
| Directorate and Other Costs                     | 439,743                              | 190,300                              |
|                                                 | <b>11,833,229</b>                    | <b>11,257,477</b>                    |
| <b>Head of Planning &amp; City Regeneration</b> |                                      |                                      |
| Business Support                                | 618,419                              | 675,519                              |
| Property Development                            | 1,256,398                            | 733,698                              |
| City Centre Management & Indoor Market          | -39,600                              | -342,800                             |
| European & External Funding Team                | 1,705,000                            | 0                                    |
| Major Projects, Design and Conservation         | 132,500                              | 154,900                              |
| Planning Control                                | 542,031                              | 525,200                              |
| Planning Policy and Environment                 | 1,109,864                            | 1,151,300                            |
| Directorate and Other Costs                     | 152,483                              | 102,183                              |
|                                                 | <b>5,477,095</b>                     | <b>3,000,000</b>                     |
| <b>Head of Housing &amp; Public Health</b>      |                                      |                                      |
| Building Regulations                            | 153,200                              | 161,350                              |
| Burials and Cremations                          | -1,180,553                           | -1,283,750                           |
| Food Safety                                     | 695,900                              | 619,390                              |
| Licensing                                       | -30,100                              | -43,500                              |
| Pollution                                       | 644,600                              | 632,900                              |
| Public Health                                   | 856,600                              | 904,300                              |
| Registrars                                      | -76,150                              | -67,950                              |
| Trading Standards                               | 602,700                              | 703,710                              |
| Housing Grants to the Independent Sector        | 40,500                               | 40,500                               |
| Housing Renewals and Adaptations                | 84,300                               | 12,800                               |
| Housing Strategy, Advice and Support            | 1,799,813                            | 1,850,013                            |
| Other Housing Services                          | 527,500                              | 553,900                              |
| Directorate and Other Costs                     | 233,900                              | 204,600                              |
|                                                 | <b>4,352,210</b>                     | <b>4,288,263</b>                     |
| <b>Total Place</b>                              | <b>74,801,000</b>                    | <b>62,681,000</b>                    |

# Agenda Item 11.



## Report of the Section 151 Officer

Cabinet – 16 February 2023

### Capital Budget & Programme 2022/23- 2027/28

|                                    |                                                                                                                                                                                                     |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | This report proposes a revised capital budget for 2022/23 and a capital budget for 2023/24 - 2027/28                                                                                                |
| <b>Policy Framework:</b>           | Sustainable Swansea – Fit for the Future                                                                                                                                                            |
| <b>Consultation:</b>               | Cabinet Members, Corporate Management Team (CMT), Legal, Finance and Access to Services                                                                                                             |
| <b>Recommendation(s):</b>          | It is recommended that Cabinet:<br><br>1) Approves the revised capital budget for 2022/23 and the capital budget for 2023/24 – 2027/28 as detailed in appendices A, B C, D, E, F and G is approved. |
| <b>Report Author:</b>              | Ben Smith                                                                                                                                                                                           |
| <b>Finance Officer:</b>            | Ben Smith                                                                                                                                                                                           |
| <b>Legal Officer:</b>              | Debbie Smith                                                                                                                                                                                        |
| <b>Access to Services Officer:</b> | Rhian Millar                                                                                                                                                                                        |

## 1. Introduction

### 1.1 This report details:

- Revised capital expenditure and financing proposals for 2022/23
- Capital expenditure and financing proposals for 2023/24 – 2027/28

### 1.2 Capital spending and funding proposals in relation to the Housing Revenue Account (HRA) are detailed in a separate report to be considered.

1.3 The capital budget proposals are detailed in appendices to this report as follows:

Appendix A Total General Fund Capital Budget Expenditure 2022/23 - 2027/28

Appendix B Total General Fund Financing 2022/23 - 2027/28

Appendix C General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2022/23 - 2027/28

Appendix D C21st Schools Programme Band A Capital Expenditure and Budget 2012/13 – 2022/23

Appendix E QEd/Sustainable Communities for Learning Programme Capital Expenditure and Budget 2017/18 – 2027/28

Appendix F Swansea Central City Deal Capital Expenditure and Budget 2018/19 – 2023/24

Appendix G Material changes to the original 2022/23 budget

1.4 Appendix A, C, D, E and F outline a comprehensive programme of capital investment including:

- A continuing programme of IT investment across the Council
- The continued investment in Swansea Schools through Band B of the QED/Sustainable Communities for Learning Schools Programme, which now has four completed projects, and one project under construction.
- Swansea Bay City Deal schemes, the completion of Phase 1 the North Block including the Arena with further elements due for completion during the coming 12 months and commencement of construction of Phase 2 Digital Village 71-72 Kingsway Offices
- A significant programme of capital expenditure to assist the City's economic recovery from the Covid 19 pandemic

1.5 The additional capital investment identified above will attract significant grant funding (QED/Sustainable Communities for Learning Schools Programme and Swansea Bay City Deal), however the programme will still require material unsupported borrowing to enable completion alongside the use of capital receipts as they are realised. Furthermore some schemes have the potential to provide additional revenue streams of property income, or, subject to agreement, in due course, with Welsh Government, retained elements of non-domestic rates or possibly tax increment financing as further powers devolve to Welsh Government and then on to local government.

- 1.6 Notwithstanding this scale of ambition, each major scheme will, as is always the case, be considered on the overall merits of each business case, both in capital cost, and revenue income streams where appropriate, and unsupported borrowing will be undertaken on a phased basis within the overall medium/long term envelope of affordability.

Furthermore it has to be recognised that the scale of funding proposed to be injected by this Council, leverages in significant additional sums:

- £107m of Welsh Government funding for Band B schools
- a City Deal, worth, across the region, around £1.3 billion.

The Council continues to face significant challenges delivering the Capital Programme during uncertain economic times with high inflation impacting on capital budgets.

- 1.7 Band B of the Welsh Government's QEd/Sustainable Communities for Learning Programme represents the largest single component of capital investment incorporated within the proposed capital programme. The numerous schemes comprise new school builds and significant asset improvements for both English and Welsh medium Schools throughout Swansea.

- 1.8 The Swansea City & Waterfront Digital District project is one of nine projects comprising the wider City Deal. It has been developed by the Council, in partnership with University of Wales Trinity Saint David (UWTSD). The core aim of the project is to create a strong and vibrant digital city that will be the economic engine of the wider city region. There are 3 main components: an Innovation Matrix and Innovation Precinct project (led by UWTSD); a Digital Village, which includes 100,000 sq. ft. of flexible and affordable office accommodation for tech businesses (led by the Council); and a Digital Square and Arena which has delivered a 3,500 capacity Digital Arena and associated developments (also led by the Council). A 5 case business model was approved by UK and WG which sets out the project in great detail, including the benefits, costs, procurement process and income derived. After an FPR7 report to cabinet the Digital Square construction has been on site for 24 months and the programme shows completion of the North block in April 2023 and the St David's car park demolition in July 2023. Ambassador Theatre Group (ATG) the Arena operator have signed a 30 year lease, have been operating the arena since March 2022 and have sold 145,000 tickets in a successful first season of events. With regard to Digital Village, a contractor has been procured and funding authorised through an FPR7 report and construction has started with a completion date of October 2023.

The Council, through the Shaping Swansea procurement process, has appointed Urban Splash as a long term development partner and entered into a 20 year Strategic Partnership Agreement. The partner and the Council will then progress the 7 sites as set out in the procurement process. Urban splash are progressing Swansea Central North and the Civic site.

Cabinet through an FPR7 report approved the capital funding to reimagine Castle Square to create a step change in the quality of its public realm. An increased level of green space with up to 4 new commercial units will create a new destination which will make it more active, distinctive and vibrant in line with other regeneration investment which is taking place in the City centre. This scheme is currently in planning with construction procurement starting in January 23 and construction on site starting in 2023 subject to the outcome of the construction tender.

## **2. Capital Budget 2022/23-2027/28**

- 2.1 Total General Fund Expenditure in the current year is forecast to be £133.409m (see Appendix A) an increase of £47.26m (see Appendix G) compared with the original estimate of £86.149m excluding waste provision.

This increase is due to the following:

- The addition of grant funded and non-grant funded schemes after Council approved the capital budget in March 2022, together with increases in the cost of schemes following detailed design and planning.
- Reprofiled forecast Cashflow of Swansea Central City Deal Arena scheme and 71-72 Kingsway Offices
- The net balance of schemes reprofiled from 2021/22 into 2022/23 and schemes reprofiled from 2022/23 into 2023/24.

- 2.2 The proposed capital programme 2022/23 – 2027/28 and associated financing is set out below in 2.3 for The General Fund Programme, 2.4 for QED/Sustainable Communities for Learning Schools Programme and 2.5 for the Swansea Central City Deal Programme.

### **2.3 The General Fund Programme and Financing 2022/23 -2027/28**

2.3.1 The General Fund programme is detailed in Appendix C. The attached proposals exclude the Housing Revenue Account capital budget which is detailed in a separate report.

2.3.2 The Capital Budget report considered by Council on 3rd March 2022 outlined an unsupported borrowing requirement for the in-year and five year forward programme of £136.52m

2.3.3 The updated total Capital programme which includes C21st Schools and Swansea Central City Deal schemes highlights a 5 year forward expenditure programme plus 2022-23 of £398.349m (Appendix A) identifying an unsupported borrowing requirement of £126.153m (Appendix B). The capital planning envelope for unsupported borrowing requires significant revenue funding to service the finance and this is set out in both the reports on the revenue budget and the medium term financial plan.

2.3.4 Phased, considered affordable borrowing, within the overall planning envelope has developed over recent years and, in the case of the



funding, from the City Deal, across the next 10 years. Some Major schemes within the General Fund Capital Programme which are partially or fully financed by borrowing are as follows:

- Swansea Central Arena phased development
- Digital Village, 71-72 Kingsway offices
- Community hub development
- Castle Square Regeneration
- Palace Theatre development
- Swansea Vale new car park where borrowing will be financed by future rental income
- Capital contingency of £20m to assist the City's economic recovery from the Covid 19 pandemic

2.3.5 Although there is significant accompanying grant funding and City Deal funding for a number of these schemes, there is a substantial unsupported borrowing requirement to underwrite these schemes. The detailed financing for the City Deal schemes is shown in Appendix B.

## 2.4 Schools Programme and Financing 2022/23 -2027/28

2.4.1 Band A of the Welsh Government's 21st Century Schools and Colleges Programme (now called the Sustainable Communities for Learning Programme) has drawn to a close, and Band B officially commenced on the 1 April 2019.

2.4.2 Band A was funded by a 50% contribution from the Welsh Government and a 50% contribution from the Council towards a total of £51.507m (plus £150k Challenge Cymru funding).

2.4.3 Welsh Government approved the Council's Strategic Outline Programme (SOP) for Band B in December 2017; the funding for Band B of the 21st Century Schools and Colleges Programme is being provided through £600m capital and £500m revenue funding for the whole of Wales. The grant intervention rate for capital projects is 65%, except special schools and PRUs which is 75%, and voluntary aided schools which is 85%.

2.4.4 The approval in principle of the SOP for Band B does not commit the Council to the funding contributions until the final approval of any capital allocation from the Welsh Government which is subject to the submission of further detailed business cases in respect of each specific project, and specific approvals in accordance with Financial Procedure Rules.

2.4.5 The Band B programme envelope is £149.5m (if the potential aided sector scheme is excluded this amounts to £141.3m). Of this total, £124m is being sought from traditional capital funding, requiring (after allowance for realisable capital and other receipts) a net local funding requirement of £34.5m from unsupported borrowing. The

remaining £25.19m (or £16.975m if the potential aided sector scheme is excluded) is expected to be delivered through the Mutual Investment Model (MIM), which would require no local capital funding contribution but incur an annual charge once the accommodation and facilities are completed. An equivalent local share of the capital cost for the MIM scheme excluding the voluntary aided sector would be £3.225m although the 19% local contribution would apply to the annual revenue charge.

- 2.4.6 The new builds for Education Other Than At School (EOTAS) at Cockett, known as Maes Derw, YGG Tan-y-lan and YGG Tirdeunaw, and the extension to provide increased capacity for YG Gŵyr and replace sub-standard accommodation, are all now completed and occupied by pupils.

The extension, remodelling and refurbishment of Bishopston Comprehensive School started on site in June 2020 and several phases have now been completed and occupied by pupils. The project is due to be fully completed in March 2023.

Good progress has been made with the feasibility and design development for YGG Bryn Tawe to provide additional capacity and the two MIM schemes to address condition and suitability issues at Gowerton and Olchfa secondary schools.

- 2.4.7 Planning and feasibility for future phases of the programme is underway, however, it is very likely that the scope of the remainder of the programme will be reduced as it will not be possible to deliver within the funding envelope due to the significant inflationary pressures and future uncertainty.

- 2.4.8 Welsh Government announced in November 2022 that the Sustainable Communities for Learning programme will now transition away from fixed bands of funding to a more agile rolling programme. This is expected to represent a 9 year capital programme, including an indicative funding forecast for the 9 years, in 3 year phases. At the latest, delivery partners must review and resubmit their Programme by March 2024, and it is anticipated that the remainder of Band B will form part of the early phases of the new rolling programme.

## 2.5 Swansea Central City Deal Programme and Financing

- 2.5.1 The Swansea Central City Deal Phase 1 Arena scheme construction phase was approved at Cabinet on 21 November 2019 at a cost of £134.837m, subsequently increased for additional elements to £135.1m (Appendix F). The detailed outstanding financing for this scheme is shown in Appendix B and spend will be funded from a combination of City Deal grant, capital receipts and unsupported borrowing.

- 2.5.2 Swansea Central City Deal Phase 2 Digital Village scheme construction has commenced on site. The current approved financing for this

scheme at a total of £41.592m is shown in Appendix F which is funded from a combination of City Deal grant, unsupported borrowing and contributions.

## 2.6 Financing the Capital Programme

- 2.6.1 The financing for the General Fund capital programme identified in 2.3, 2.4 and 2.5 is detailed in Appendix B and requires unsupported borrowing of £126.153m towards forecast expenditure of £398.349m (Appendix A).
- 2.6.2 It should be noted that efforts to increase and maximize grants, contributions and capital receipts in order to minimize borrowing requirements are pursued throughout the year. Included within the programme are a number of schemes which are self-financing. Indeed there is a clear strategy for the Council to maximize external investment in any proposals and to seek to target its own investment into areas which offer a return commensurate with or greater than financing costs in order to minimise the Revenue impact of any additional borrowing requirements. In the absence of such a strategy then it has to be realised that any capital expenditure that leads to an overall net increase in borrowing costs brings with it the potential to impact on an already challenging revenue budget scenario going forward.
- 2.6.3 It is recognized that a forecast capital financing requirement of £126.153m remains significant. The revenue implications of this are identified in the revenue budget and medium term financial plan on this agenda. The above programme is affordable and sustainable throughout the lifetime of the medium term financial plan subject to the risks highlighted below.
- 2.6.4 It should be noted that the Council makes an annual budget provision to repay debt through what is known as the Minimum Revenue Provision (MRP). The MRP policy was revised and approved by Council on Dec 20<sup>th</sup> 2018, mitigating the impact of revenue provision in the earlier years, aligning the repayment of the debt with the lifetime of the asset. It was recognised there would be short term 'savings' which would reverse in later years, therefore the establishments of the capital equalization reserve was approved by Council to mitigate and forward plan for the same. Advantage was taken of the low interest rate and volatility in the market to externalise some of its borrowing requirement in 2018/19, by borrowing £90m, although the overall strategy is to mitigate the impact of interest charges by utilising internal resources to meet Cashflow demands but opportunities to take advantage of long term value shall be taken when deemed appropriate. Notwithstanding this and noting the already emerging risks to the upside to long term interest rates and the significant capital financing identified by this report, it was determined that in line with good Treasury Management practice and being mindful of interest rate movements and cashflow requirements,

that during the financial year 2021/22, a further £120m of PWLB borrowing was undertaken. This borrowing was taken in 3 separate tranches at an average of 1.94 % during the year. (This is the cheapest borrowing ever undertaken by this Council). It should be noted that the decision to defer this funding from 2018/19 to 2021/22 was explicit, whilst the PWLB premium was in place and consultation to changes was ongoing. This deferral has therefore avoided the 1% premium imposed on PWLB borrowing during that time.

2.6.5 Noting the programmed profile of grant payments in respect of The Swansea Bay City Deal Financing, it has been determined prudent to utilise the already established Capital Equalisation Reserve, with which to mitigate and smooth the timing differences between funding and capital spend during the early years of the programme.

### **3. Future Schemes**

3.1 The Capital programme as outlined in this report reflects known planned expenditure and financing as at the date of the report.

3.2 Future discretionary projects and schemes shall only be incorporated if they are within the current planning envelope assumption of up to an additional £50m of borrowing already assumed, are self-financing or the associated additional financing costs can be supported from likely future revenue budgets affordably and sustainably. The costs of financing the same are forecast to be materially higher than the recent past noting the rising GILT yield environment, which in turn may limit the capital secured for any policy choice over the balance between revenue and capital priorities. Policy choices will also continue to be made on the degree of public subsidy that any individual schemes may require having due regard to our obligations to lead and shape regeneration and pump prime wider investment activity.

### **4. Risks**

4.1 There are significant risks which may require a future revision of the attached six year capital budget. In particular:

- urgent capital maintenance requirements
- unforeseen costs e.g. failure of retaining walls
- failing to achieve the General Fund capital receipts target
- failing to deliver revenue budget savings as identified in the Revenue Budget Report
- capital financing charges arising from additional unsupported borrowing which cannot be met from existing revenue budgets.
- additional costs arising from any other additions to the Capital programme
- increased borrowing costs

Mitigation in respect of the latter four risks will be achieved by continual review and consideration of individual business cases for the larger schemes.

## **5. Legal Implications**

- 5.1 The Authority is under a duty to make arrangements for the proper administration of its financial affairs. Failure to do so will be a breach of that duty.

## **6. Prudential Code**

- 6.1 Under the Local Government Act 2003 and subsequent regulations, a local authority is required to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities when setting its budget and must determine and keep under review how much it can afford to borrow. In addition, a local authority must also set out its overall capital strategy and ensure that if it is to be funded via PWLB satisfies the now implemented borrowing criteria.
- 6.2 Two further reports on the agenda will detail what is required under the requirement of the Code and sets out in detail Prudential Borrowing Indicators for 2022/23 and subsequent years and outline the overall Capital Strategy of the Authority.

## **7. Integrated Assessment Implications**

- 7.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to their own needs.

- 7.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

- 7.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

- 7.4 An integrated impact assessment screening has been undertaken and it concludes that there are no equality impact implications arising from this report. All future programs and schemes covered within this report will be subject to their own Integrated Impact Assessment process.

**Background Papers:** None

**Appendices:**

- Appendix A Total General Fund Capital Budget Expenditure 2022/23 - 2027/28
- Appendix B Total General Fund Financing 2022/23 - 2027/28
- Appendix C General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2022/23 - 2027/28
- Appendix D C21st Schools Programme Band A Capital Expenditure and Budget 2012/13 – 2022/23
- Appendix E QEd/Sustainable Communities for Learning Programme Capital Expenditure and Budget 2017/18 – 2027/28
- Appendix F Swansea Central City Deal Capital Expenditure and Budget 2018/19 – 2023/24
- Appendix G Material changes to the original 2022/23 budget
- Appendix H IIA

**Total General Fund Capital Budget Expenditure 2022/23 - 2027/28**

**Appendix A**

|                                                                                               |       | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> | <b>2025/26</b> | <b>2026/27</b> | <b>2027/28</b> | <b>Total</b>   |
|-----------------------------------------------------------------------------------------------|-------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                                                               |       | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   |
| Total General Fund (Excluding C21st School and Swansea Central City Deal schemes)             | App C | 100,509        | 75,035         | 20,430         | 14,559         | 12,882         | 14,992         | 238,407        |
| C21st Schools Band A                                                                          | App D | 182            |                |                |                |                |                | 182            |
| QEd/Sustainable Communities for Learning Schools Programme Band B                             | App E | 7,437          | 4,124          | 35,871         | 39,269         | 15,301         | 5,888          | 107,890        |
| City Deal Swansea Central Phase 1 Arena                                                       | App F | 8,990          | 5,892          |                |                |                |                | 14,882         |
| City Deal Swansea Central Phase 2 Digital Village                                             | App F | 16,886         | 20,102         |                |                |                |                | 36,988         |
| <b>Total General Fund (including Schools and City Deal schemes)</b>                           |       | <b>134,004</b> | <b>105,153</b> | <b>56,301</b>  | <b>53,828</b>  | <b>28,183</b>  | <b>20,880</b>  | <b>398,349</b> |
| Less waste provision                                                                          |       | -595           |                |                |                |                |                |                |
| <b>Total General Fund (including Schools and City Deal schemes) excluding waste provision</b> |       | <b>133,409</b> | <b>105,153</b> | <b>56,301</b>  | <b>53,828</b>  | <b>28,183</b>  | <b>20,880</b>  | <b>397,754</b> |

|                                                                                                                 | 2022/23        | 2023/24        | 2024/25       | 2025/26       | 2026/27       | 2027/28       | Total          |
|-----------------------------------------------------------------------------------------------------------------|----------------|----------------|---------------|---------------|---------------|---------------|----------------|
| <b>GF Financing (Excluding C21st Schools and Swansea Central City Deal)</b>                                     | £'000          | £'000          | £'000         | £'000         | £'000         | £'000         | £'000          |
| <b>Supported Borrowing</b>                                                                                      |                |                |               |               |               |               |                |
| Welsh Government Supported Borrowing                                                                            | 6,347          | 6,355          | 6,355         | 6,355         | 6,355         | 6,355         | 38,122         |
| <b>Grants and Contributions</b>                                                                                 |                |                |               |               |               |               |                |
| Welsh Government General Capital Grant                                                                          | 4,375          | 6,527          | 6,527         | 6,527         | 6,527         | 6,527         | 37,010         |
| Welsh Government specific grants                                                                                | 33,909         | 2,532          |               |               |               |               | 36,441         |
| European grants                                                                                                 | 256            | 838            |               |               |               |               | 1,094          |
| Other Grants                                                                                                    | 3,941          | 48             |               |               |               |               | 3,989          |
| Contributions                                                                                                   | 1,920          | 651            | 746           |               |               |               | 3,317          |
| <b>Capital Receipts</b>                                                                                         |                |                |               |               |               |               |                |
| Earmarked Capital receipts                                                                                      | 281            | 351            | 747           |               |               |               | 1,379          |
| General Capital receipts                                                                                        | 4,634          | 3,416          | 9,198         |               |               |               | 17,248         |
| <b>Revenue and Reserve Contributions (including provision for waste schemes)</b>                                | 13,609         | 8,853          | 3,138         | 177           |               | 2,110         | 27,887         |
| <b>Financing excluding unsupported borrowing</b>                                                                | <b>69,272</b>  | <b>29,571</b>  | <b>26,711</b> | <b>13,059</b> | <b>12,882</b> | <b>14,992</b> | <b>166,487</b> |
| <b>Unsupported borrowing requirement</b>                                                                        | <b>31,237</b>  | <b>45,464</b>  | <b>-6,281</b> | <b>1,500</b>  | <b>0</b>      | <b>0</b>      | <b>71,920</b>  |
| <b>GF Financing (Excluding C21st Schools and City Deal)</b>                                                     | <b>100,509</b> | <b>75,035</b>  | <b>20,430</b> | <b>14,559</b> | <b>12,882</b> | <b>14,992</b> | <b>238,407</b> |
| <b>C21st School Band A Financing</b>                                                                            |                |                |               |               |               |               |                |
| Unsupported borrowing requirement                                                                               | 182            |                |               |               |               |               | 182            |
| <b>C21st School Band A Financing</b>                                                                            | <b>182</b>     | <b>0</b>       | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>182</b>     |
| <b>QEd/Sustainable Communities for Learning Band B Financing</b>                                                |                |                |               |               |               |               |                |
| WG Traditional capital grant funding                                                                            | 478            |                | 18,412        | 18,150        | 11,439        | 4,416         | 52,895         |
| WG Welsh Medium grant                                                                                           | 14             | 772            | 639           | 84            |               |               | 1,509          |
| WG Mutual Investment Model financing (including VA school)                                                      |                |                | 7,185         | 13,548        |               |               | 20,733         |
| CCS Mutual Investment Model financing                                                                           |                | 188            | 4,269         |               |               |               | 4,457          |
| S106 and other Contributions                                                                                    | 223            | 275            | 1,007         | 2,262         | 293           |               | 4,060          |
| Unsupported borrowing requirement                                                                               | 6,722          | 2,889          | 4,359         | 5,225         | 3,569         | 1,472         | 24,236         |
| <b>QEd/Sustainable Communities for Learning Band B Financing</b>                                                | <b>7,437</b>   | <b>4,124</b>   | <b>35,871</b> | <b>39,269</b> | <b>15,301</b> | <b>5,888</b>  | <b>107,890</b> |
| <b>Swansea Central City Deal Schemes Financing</b>                                                              |                |                |               |               |               |               |                |
| <b>Swansea Central Phase 1 Arena Financing</b>                                                                  |                |                |               |               |               |               |                |
| Capital receipts                                                                                                | 2,538          | 2,362          |               |               |               |               | 4,900          |
| City Deal funding                                                                                               | 4,790          | 2,214          |               |               |               |               | 7,004          |
| Grants (ERDF)                                                                                                   | 137            | 171            |               |               |               |               | 308            |
| Unsupported borrowing requirement                                                                               | 1,525          | 1,145          |               |               |               |               | 2,670          |
| <b>Swansea Central Phase 1 Arena Financing</b>                                                                  | <b>8,990</b>   | <b>5,892</b>   | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>14,882</b>  |
| <b>Swansea Central Phase 2 Digital Village</b>                                                                  |                |                |               |               |               |               |                |
| City Deal funding                                                                                               |                | 13,700         |               |               |               |               | 13,700         |
| Contribution                                                                                                    | 100            |                |               |               |               |               | 100            |
| WG ERDF grant                                                                                                   | 500            |                |               |               |               |               | 500            |
| Unsupported borrowing requirement                                                                               | 16,286         | 6,402          |               |               |               |               | 22,688         |
| <b>Swansea Central Digital Arena Financing</b>                                                                  | <b>16,886</b>  | <b>20,102</b>  | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>36,988</b>  |
| <b>Swansea Central City Deal Schemes Financing</b>                                                              | <b>25,876</b>  | <b>25,994</b>  | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>51,870</b>  |
| <b>Total General Fund Financing</b>                                                                             | <b>134,004</b> | <b>105,153</b> | <b>56,301</b> | <b>53,828</b> | <b>28,183</b> | <b>20,880</b> | <b>398,349</b> |
| <b>Total General Fund Unsupported Borrowing Requirement</b>                                                     |                |                |               |               |               |               |                |
| General Fund Unsupported borrowing requirement                                                                  | 31,237         | 45,464         | -6,281        | 1,500         | 0             | 0             | 71,920         |
| C21st School unsupported borrowing requirement Band A                                                           | 182            | 0              | 0             | 0             | 0             | 0             | 182            |
| QEd/Sustainable Communities for Learning unsupported borrowing requirement Band B                               | 6,722          | 3,077          | 8,628         | 5,225         | 3,569         | 1,472         | 28,693         |
| Swansea Central City Deal schemes unsupported borrowing requirement                                             | 17,811         | 7,547          | 0             | 0             | 0             | 0             | 25,358         |
| <b>Total GF unsupported borrowing requirement including C21st Schools and Swansea Central City Deal schemes</b> | <b>55,952</b>  | <b>56,088</b>  | <b>2,347</b>  | <b>6,725</b>  | <b>3,569</b>  | <b>1,472</b>  | <b>126,153</b> |



**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2022/23 - 2027/28**

|                                                                                        | 2022/23        | 2023/24       | 2024/25       | 2025/26       | 2026/27       | 2027/28       | Total          |
|----------------------------------------------------------------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|----------------|
|                                                                                        | £'000          | £'000         | £'000         | £'000         | £'000         | £'000         | £'000          |
| <b>Directorate</b>                                                                     |                |               |               |               |               |               |                |
| Resources (see schemes below)                                                          | 3,039          | 2,847         |               |               |               |               | 5,886          |
| Education (see schemes below)                                                          | 4,647          | 2,527         |               |               |               |               | 7,174          |
| Social Services (see schemes below)                                                    | 866            | 1,287         |               |               |               |               | 2,153          |
| Place (see schemes below)                                                              | 91,957         | 68,374        | 20,430        | 14,559        | 12,882        | 14,992        | 223,194        |
| <b>Total Expenditure</b>                                                               | <b>100,509</b> | <b>75,035</b> | <b>20,430</b> | <b>14,559</b> | <b>12,882</b> | <b>14,992</b> | <b>238,407</b> |
| <b>Director of Resources</b>                                                           |                |               |               |               |               |               |                |
| <b>Digital &amp; Transformation</b>                                                    |                |               |               |               |               |               |                |
| Hwb in schools Infrastructure                                                          | 134            |               |               |               |               |               | 134            |
| Digital Business Strategy                                                              | 249            |               |               |               |               |               | 249            |
| Agile IT - mobile phones                                                               |                | 721           |               |               |               |               | 721            |
| Agile IT - accessories                                                                 | 28             | 180           |               |               |               |               | 208            |
| Mobile IT - laptops                                                                    | 610            | 1,646         |               |               |               |               | 2,256          |
| ERP System Upgrade                                                                     | 114            |               |               |               |               |               | 114            |
| ICT equipment staff reimbursement scheme                                               | 39             | 300           |               |               |               |               | 339            |
| WIFI in commercial areas                                                               | 300            |               |               |               |               |               | 300            |
| Network switches for Guildhall                                                         | 125            |               |               |               |               |               | 125            |
| Data Centre relocation                                                                 | 440            |               |               |               |               |               | 440            |
| Other IT schemes                                                                       | 11             |               |               |               |               |               | 11             |
| Capital creditors for 2021-22 paid in 2022-23                                          | 4              |               |               |               |               |               | 4              |
| <b>Financial Services</b>                                                              |                |               |               |               |               |               |                |
| Corporate Capital Contingency                                                          | 985            |               |               |               |               |               | 985            |
| <b>Total for Director of Resources</b>                                                 | <b>3,039</b>   | <b>2,847</b>  |               |               |               |               | <b>5,886</b>   |
| <b>Director of Education (excluding 21st Century schools programme)</b>                |                |               |               |               |               |               |                |
| Primary and secondary school schemes (not within C21st programme)                      | 359            |               |               |               |               |               | 359            |
| Flying Start schemes                                                                   | 588            |               |               |               |               |               | 588            |
| Parklands Primary extension                                                            | 168            |               |               |               |               |               | 168            |
| Clwyd Primary pitch drainage                                                           | 100            |               |               |               |               |               | 100            |
| Pontarddulais Comprehensive                                                            | 191            |               |               |               |               |               | 191            |
| Reducing Infant Class sizes                                                            | 143            |               |               |               |               |               | 143            |
| 3G pitch Olchfa School                                                                 | 1,244          |               |               |               |               |               | 1,244          |
| Free School Meals infrastructure / equipment                                           | 1,805          | 2,527         |               |               |               |               | 4,332          |
| Capital creditors for 2021-22 paid in 2022-23                                          | 49             |               |               |               |               |               | 49             |
| <b>Total for Director of Education</b>                                                 | <b>4,647</b>   | <b>2,527</b>  |               |               |               |               | <b>7,174</b>   |
| <b>Director of Social Services</b>                                                     |                |               |               |               |               |               |                |
| Residential home for young people                                                      | 550            | 950           |               |               |               |               | 1,500          |
| Nant-y-felin conversion van                                                            | 243            | 103           |               |               |               |               | 346            |
| Borfa activity centre                                                                  | 28             | 80            |               |               |               |               | 108            |
| Other Social Services Schemes                                                          | 30             | 154           |               |               |               |               | 184            |
| Capital creditors for 2021-22 paid in 2022-23                                          | 15             |               |               |               |               |               | 15             |
| <b>Total for Director of Social Services</b>                                           | <b>866</b>     | <b>1,287</b>  |               |               |               |               | <b>2,153</b>   |
| <b>Director of Place</b>                                                               |                |               |               |               |               |               |                |
| <b>Highways &amp; Transportation</b>                                                   |                |               |               |               |               |               |                |
| Active Travel schemes                                                                  | 7,030          |               |               |               |               |               | 7,030          |
| Local Transport Fund schemes                                                           | 1,779          |               |               |               |               |               | 1,779          |
| Safe Routes in Communities, Road Safety and 20mph grant schemes                        | 1,515          |               |               |               |               |               | 1,515          |
| Structural maintenance roads, including carriageway resurfacing, footways and lighting | 4,782          |               |               |               |               |               | 4,782          |
| Highways annual allocation                                                             |                | 3,468         | 3,468         | 3,468         | 3,468         | 3,468         | 17,340         |
| Highways additional - Street Lighting conversion to LED                                | 1,000          |               |               |               |               |               | 1,000          |

**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2022/23 - 2027/28**

|                                                                                                | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | Total  |
|------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|--------|
|                                                                                                | £'000   | £'000   | £'000   | £'000   | £'000   | £'000   | £'000  |
| Highways additional funding from internal resources                                            | 1,000   | 2,000   | 2,000   |         |         |         | 5,000  |
| Seawall repairs Mumbles                                                                        | 10,927  | 15,646  | 46      |         |         |         | 26,619 |
| Highways & Transportation Vehicle replacement programme and Integrated Transport Unit vehicles | 3,509   |         |         |         |         |         | 3,509  |
| Lower Tawe Riverside West SUP                                                                  | 326     | 123     |         |         |         |         | 449    |
| Slip Bridge Refurbishment                                                                      |         | 139     |         |         |         |         | 139    |
| Pont-y-Lon Bridge                                                                              |         |         | 656     |         |         |         | 656    |
| Bascule Bridge                                                                                 | 433     |         |         |         |         |         | 433    |
| Other Bridges & retaining Walls                                                                | 846     |         |         |         |         |         | 846    |
| Morfa Culvert                                                                                  |         | 500     |         |         |         |         | 500    |
| Drainage and flood alleviation grant schemes                                                   | 803     |         |         |         |         |         | 803    |
| Marina barrage schemes                                                                         | 505     |         |         |         |         |         | 505    |
| Other highways schemes                                                                         | 2,419   |         |         |         |         |         | 2,419  |
| <b>Waste Management and Parks</b>                                                              |         |         |         |         |         |         |        |
| Tir John works (provision)                                                                     | 595     | 1,149   | 346     | 177     |         | 2,110   | 4,377  |
| Facility to collect and recycle electrical waste                                               | 38      | 71      |         |         |         |         | 109    |
| Rhosilli / Mumbles Changing Places toilets                                                     | 188     |         |         |         |         |         | 188    |
| Playground upgrades                                                                            | 510     | 800     | 192     |         |         |         | 1,502  |
| Other waste schemes                                                                            | 295     | 7       |         |         |         |         | 302    |
| <b>Culture,Sport,Leisure &amp; Tourism</b>                                                     |         |         |         |         |         |         |        |
| Leisure Centre improvements (Freedom Leisure schemes)                                          | 54      | 76      |         |         |         |         | 130    |
| Cefn Hengoed Community Hub                                                                     | 4,887   | 1,739   | 148     |         |         |         | 6,774  |
| Mynydd Newydd Changing Rooms Linked to Bryntawe 3G Pitch                                       | 100     | 235     |         |         |         |         | 335    |
| 3G Pitch renewal Phoenix Centre                                                                | 295     |         |         |         |         |         | 295    |
| Ashleigh Road Hockey pitch resurface                                                           | 90      | 10      |         |         |         |         | 100    |
| Library Service                                                                                | 45      |         |         |         |         |         | 45     |
| Glynn Vivian Art Gallery                                                                       |         | 75      |         |         |         |         | 75     |
| Dylan Thomas Exhibition relocation                                                             | 93      |         |         |         |         |         | 93     |
| Grant Theatre kitchen upgrade                                                                  | 86      |         |         |         |         |         | 86     |
| Brangwyn Hall lighting                                                                         | 100     |         |         |         |         |         | 100    |
| Other Culture, Sport, Leisure & Tourism schemes                                                | 238     |         |         |         |         |         | 238    |
| <b>Economic Regeneration &amp; Planning (Excluding Swansea Central City Deal schemes)</b>      |         |         |         |         |         |         |        |
| Kingsway Urban Parkway (Barclays renovation)                                                   | 252     | 1,650   |         |         |         |         | 1,902  |
| Kingsway Urban Parkway (infrastructure)                                                        | 1,188   |         |         |         |         |         | 1,188  |
| Wind Street improvements                                                                       | 382     |         |         |         |         |         | 382    |
| Skyline                                                                                        | 430     | 3,870   | 2,600   | 1,500   |         |         | 8,400  |
| Hafod/Morfa Copper Powerhouse                                                                  | 2,306   |         |         |         |         |         | 2,306  |
| Community Hub development                                                                      | 3,670   | 9,101   |         |         |         |         | 12,771 |
| City Centre acquisition                                                                        | 2,825   |         |         |         |         |         | 2,825  |
| Swansea Vale infrastructure/studies                                                            | 85      | 630     | 1,493   |         |         |         | 2,208  |
| Palace Theatre Redevelopment                                                                   | 4,000   | 749     |         |         |         |         | 4,749  |
| Castle Square redevelopment                                                                    | 1,280   | 8,954   | 67      |         |         |         | 10,301 |
| Re-purposing Swansea                                                                           | 500     |         |         |         |         |         | 500    |
| TRI programme - Strategic                                                                      | 228     |         |         |         |         |         | 228    |
| Valleys Task force Covid recovery schemes                                                      | 226     |         |         |         |         |         | 226    |
| Economic Stimulus                                                                              | 1,844   |         |         |         |         |         | 1,844  |
| Swansea Market Improvements                                                                    | 225     |         |         |         |         |         | 225    |
| Other regeneration schemes                                                                     | 554     | 150     |         |         |         |         | 704    |
| <b>Housing GF</b>                                                                              |         |         |         |         |         |         |        |
| DFG's -1996 Act                                                                                | 4,300   | 1,025   |         |         |         |         | 5,325  |
| Housing GF annual allocation                                                                   |         | 5,200   | 5,200   | 5,200   | 5,200   | 5,200   | 26,000 |
| Sandfields Renewal Area                                                                        | 258     |         |         |         |         |         | 258    |
| Property Appreciation Loans                                                                    | 400     | 376     |         |         |         |         | 776    |
| Grant For Nominations                                                                          | 46      |         |         |         |         |         | 46     |
| Comfort Safety & Security Grants (CSS)                                                         | 53      |         |         |         |         |         | 53     |
| Mini Adaptation Grants (MAG)                                                                   | 600     |         |         |         |         |         | 600    |
| Valleys Task Force Empty Properties Scheme                                                     | 35      |         |         |         |         |         | 35     |
| Western Valleys Empty Properties Scheme                                                        | 255     |         |         |         |         |         | 255    |
| Warm Homes Fund                                                                                | 317     |         |         |         |         |         | 317    |

**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2022/23 - 2027/28**

|                                                                                  | 2022/23       | 2023/24       | 2024/25       | 2025/26       | 2026/27       | 2027/28       | Total          |
|----------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
|                                                                                  | £'000         | £'000         | £'000         | £'000         | £'000         | £'000         | £'000          |
| Other Housing GF schemes                                                         | 83            |               |               |               |               |               | 83             |
| <b>Corporate Building</b>                                                        |               |               |               |               |               |               |                |
| Capital Maintenance allocated including Schools additional capital maintenance   | 10,247        |               |               |               |               |               | 10,247         |
| Capital Maintenance annual allocation                                            |               | 3,214         | 3,214         | 3,214         | 3,214         | 3,214         | 16,070         |
| Civic Centre Relocation                                                          |               | 1,000         | 1,000         | 1,000         | 1,000         | 1,000         | 5,000          |
| <b>Corporate Property</b>                                                        |               |               |               |               |               |               |                |
| Accommodation Strategy (agile working)                                           | 120           | 1,042         |               |               |               |               | 1,162          |
| Depot Review (including Pipehouse Wharf Replacement)                             | 786           |               |               |               |               |               | 786            |
| Property Portfolio (the funding for this will be repaid by future rental income) | 820           |               |               |               |               |               | 820            |
| Energy Efficiency schemes funded by WG Salix loan                                | 300           |               |               |               |               |               | 300            |
| Swansea Vale new car park facility                                               |               | 3,100         |               |               |               |               | 3,100          |
| Tir John Solar Panel Farm                                                        | 80            | 2,239         |               |               |               |               | 2,319          |
| Capital Community Schemes for Play and Highways                                  | 1,183         |               |               |               |               |               | 1,183          |
| Other Corporate Property schemes                                                 | 39            | 36            |               |               |               |               | 75             |
| Place Capital creditors for 2021-22 paid in 2022-23                              | 7,552         |               |               |               |               |               | 7,552          |
| <b>Total for Director of Place</b>                                               | <b>91,957</b> | <b>68,374</b> | <b>20,430</b> | <b>14,559</b> | <b>12,882</b> | <b>14,992</b> | <b>223,194</b> |
| Totals                                                                           | 100,509       | 75,035        | 20,430        | 14,559        | 12,882        | 14,992        | 238,407        |

## C21st Schools Programme Capital Expenditure and Budget 2012/13 - 2022/23

## Appendix D

|                                            | to 2012/13   | 2013/14       | 2014/15       | 2015/16      | 2016/17       | 2017/18      | 2018/19      | 2019/20      | 2020/21      | 2021/22      | 2022/23        | Total         |
|--------------------------------------------|--------------|---------------|---------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|----------------|---------------|
|                                            | Actual spend | Actual spend  | Actual spend  | Actual spend | Actual spend  | Actual spend | Actual spend | Actual spend | Actual spend | Actual spend | Forecast spend |               |
|                                            | £'000        | £'000         | £'000         | £'000        | £'000         | £'000        | £'000        | £'000        | £'000        | £'000        | £'000          | £'000         |
| <b>Band A</b>                              |              |               |               |              |               |              |              |              |              |              |                |               |
| <b>Expenditure</b>                         |              |               |               |              |               |              |              |              |              |              |                |               |
| Morrison Comprehensive Refurbishment       | 5,445        | 11,916        | 4,271         | 128          | 2             | 164          |              |              |              |              |                | 21,926        |
| 21st Century Schools Programme (Band A)    |              |               |               |              |               |              |              |              |              |              |                |               |
| Phase 1                                    |              |               |               |              |               |              |              |              |              |              |                |               |
| Burlais Primary new school build           | 17           | 453           | 5,941         | 1,266        | 94            | 185          | 10           |              |              |              |                | 7,966         |
| Gowerton Primary new school build          | 16           | 446           | 2,193         | 3,833        | 136           | 2            |              |              | 5            |              |                | 6,631         |
| YGG Lon Las rebuild and remodel            |              | 66            | 108           | 2,672        | 6,202         | 357          | 130          | 277          |              |              | 12             | 9,824         |
| Glyncollen and Newton Primary improvements |              | 393           | 1,007         |              |               |              |              |              |              |              |                | 1,400         |
| Phase 2                                    |              |               |               |              |               |              |              |              |              |              |                |               |
| Pentrehafod remodelling                    |              |               |               | 52           | 3,704         | 6,951        | 3,418        | 539          | 281          |              |                | 14,945        |
| Gorseinon Primary new school build         |              |               | 51            | 332          | 11            | 30           | 6            | 3,887        | 2,163        | 94           | 170            | 6,744         |
| Pentre'r Graig Primary improvements        |              |               | 97            | 1,117        | 1,429         | 21           |              |              |              |              |                | 2,664         |
| YG Gwyr improvements                       |              |               | 50            | 109          | 766           | 246          | 6            |              |              |              |                | 1,177         |
| <b>Total Expenditure</b>                   | <b>5,478</b> | <b>13,274</b> | <b>13,718</b> | <b>9,509</b> | <b>12,344</b> | <b>7,956</b> | <b>3,570</b> | <b>4,703</b> | <b>2,449</b> | <b>94</b>    | <b>182</b>     | <b>73,277</b> |

QEd/Sustainable Communities for Learning Schools Programme Capital Expenditure and Budget 2017/18 - 2027/28

Appendix E

| Band B                                        | Progress        | 2017/18               | 2018/19               | 2019/20               | 2020/21               | 2021/22               | 2022/23                 | 2023/24                 | 2024/25                 | 2025/26                 | 2026/27                 | 2027/28                 | Total        |                |
|-----------------------------------------------|-----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------|----------------|
|                                               |                 | Actual spend<br>£'000 | Actual spend<br>£'000 | Actual spend<br>£'000 | Actual spend<br>£'000 | Actual spend<br>£'000 | Forecast spend<br>£'000 | Forecast spend<br>£'000 | Forecast spend<br>£'000 | Forecast spend<br>£'000 | Forecast spend<br>£'000 | Forecast spend<br>£'000 | £'000        |                |
| <b>Expenditure</b>                            |                 |                       |                       |                       |                       |                       |                         |                         |                         |                         |                         |                         |              |                |
| QEd/Sustainable Communities for Learning      |                 |                       |                       |                       |                       |                       |                         |                         |                         |                         |                         |                         |              |                |
| Education other than at School new build for  |                 |                       |                       |                       |                       |                       |                         |                         |                         |                         |                         |                         |              |                |
| Maes Derw                                     | Capital         | Complete              | 155                   | 607                   | 3,777                 | 4,919                 | 100                     | 206                     |                         |                         |                         |                         | 9,764        |                |
| YGG Tan-y-Lan                                 | Capital         | Complete              | 2                     | 177                   | 219                   | 4,601                 | 3,996                   | 905                     |                         |                         |                         |                         | 9,900        |                |
| YG Gwyr                                       | Capital         | Complete              |                       | 112                   | 187                   | 3,622                 | 1,714                   | 1,203                   |                         |                         |                         |                         | 6,838        |                |
| YG Bryntawe                                   | Capital         | Concept design stage  |                       |                       | 14                    | 73                    | 64                      | 100                     | 400                     | 3,850                   | 6,527                   |                         | 11,028       |                |
| YGG Tirdeunaw                                 | Capital         | Complete              |                       | 165                   | 141                   | 5,172                 | 5,509                   | 564                     |                         |                         |                         |                         | 11,551       |                |
| Bishopston Comprehensive School               | Capital         | On site               | 35                    | 100                   | 448                   | 5,834                 | 4,404                   | 3,843                   | 500                     |                         |                         |                         | 15,164       |                |
| Gowerton Comprehensive School                 | Capital and MIM | Concept design stage  |                       |                       | 15                    | 10                    | 4                       | 296                     | 925                     | 8,935                   | 8,759                   |                         | 18,944       |                |
| Olchfa Comprehensive School                   | Capital and MIM | Concept design stage  |                       |                       |                       |                       |                         | 120                     | 451                     | 6,357                   | 237                     |                         | 7,165        |                |
| Lougher / Kingsbridge new build welsh primary | Capital         | Pending               |                       |                       |                       |                       |                         | 275                     | 3,690                   | 5,761                   | 400                     |                         | 10,126       |                |
| YGG Crug Glais & Penybryn                     | Capital         | Pending               |                       |                       |                       | 12                    | 200                     | 613                     | 725                     | 13,066                  | 14,901                  | 5,888                   | 35,405       |                |
| English Medium Primary Scheme 2               | MIM             | Pending               |                       |                       |                       |                       |                         |                         | 8,200                   | 283                     |                         |                         | 8,483        |                |
| St Joseph's Cathedral School                  | MIM (VA)        | Pending               |                       |                       |                       |                       |                         | 188                     | 3,475                   | 4,552                   |                         |                         | 8,215        |                |
| Welsh medium schemes                          | Capital         | Pending               |                       |                       | 5                     | 50                    | 0                       | 772                     | 639                     | 84                      |                         |                         | 1,550        |                |
| <b>Total Expenditure</b>                      |                 |                       | <b>192</b>            | <b>1,161</b>          | <b>4,801</b>          | <b>24,236</b>         | <b>15,853</b>           | <b>7,437</b>            | <b>4,124</b>            | <b>35,871</b>           | <b>39,269</b>           | <b>15,301</b>           | <b>5,888</b> | <b>154,133</b> |

Swansea Central City Deal Programme Capital Expenditure and Budget 2018/19 - 2023/24

Appendix F

|                                                         | spend to<br>2018/19      | 2019/20                  | 2020/21                  | 2021/22                  | 2022/23                    | 2023/24                    | Total          |
|---------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------------|----------------|
|                                                         | Actual<br>spend<br>£'000 | Actual<br>spend<br>£'000 | Actual<br>spend<br>£'000 | Actual<br>spend<br>£'000 | Forecast<br>spend<br>£'000 | Forecast<br>spend<br>£'000 | £'000          |
| <b>Swansea Central Phase 1 Arena<br/>Expenditure</b>    |                          |                          |                          |                          |                            |                            |                |
| RIBA stage 4, enabling works and fees                   | 9,413                    | 9,499                    |                          |                          |                            |                            | 18,912         |
| Construction including main contract and internal staff |                          | 11,290                   | 57,162                   | 32,854                   | 8,990                      | 5,892                      | 116,188        |
| <b>Total Expenditure</b>                                | <b>9,413</b>             | <b>20,789</b>            | <b>57,162</b>            | <b>32,854</b>            | <b>8,990</b>               | <b>5,892</b>               | <b>135,100</b> |

**Funding**

|                           |  |  |  |  |              |              |               |
|---------------------------|--|--|--|--|--------------|--------------|---------------|
| WG and WEFO grant funding |  |  |  |  | 137          | 171          | 308           |
| City Deal funding         |  |  |  |  | 4,790        | 2,214        | 7,004         |
| Capital receipt           |  |  |  |  | 2,538        | 2,362        | 4,900         |
| Borrowing                 |  |  |  |  | 1,525        | 1,145        | 2,670         |
| <b>Total funding</b>      |  |  |  |  | <b>8,990</b> | <b>5,892</b> | <b>14,882</b> |

**Swansea Central Phase 2 Digital Village (71-72 Kingsway Offices)**

|                                                         | £'000      | £'000      | £'000      | £'000        | £'000         | £'000         | £'000         |
|---------------------------------------------------------|------------|------------|------------|--------------|---------------|---------------|---------------|
| <b>Expenditure</b>                                      |            |            |            |              |               |               |               |
| Design & Planning                                       | 343        | 903        | 851        | 1,098        | 75            |               | 3,270         |
| Construction including main contract and internal staff |            |            |            | 1,409        | 16,811        | 20,102        | 38,322        |
| <b>Total Expenditure</b>                                | <b>343</b> | <b>903</b> | <b>851</b> | <b>2,507</b> | <b>16,886</b> | <b>20,102</b> | <b>41,592</b> |

**Funding**

|                                                                           |  |  |  |  |               |               |               |
|---------------------------------------------------------------------------|--|--|--|--|---------------|---------------|---------------|
| City Deal funding (note City Deal funding will be annual across 15 years) |  |  |  |  |               | 13,700        | 13,700        |
| Borrowing                                                                 |  |  |  |  | 16,286        | 6,402         | 22,688        |
| WG grant (ERDF)                                                           |  |  |  |  | 500           |               | 500           |
| S106                                                                      |  |  |  |  | 100           |               | 100           |
| <b>Total funding</b>                                                      |  |  |  |  | <b>16,886</b> | <b>20,102</b> | <b>36,988</b> |

| Scheme                                                                        | Source of Funding                        | 2022/23 Change £'000 |
|-------------------------------------------------------------------------------|------------------------------------------|----------------------|
| <b>Director of Resources</b>                                                  |                                          |                      |
| <b>Digital &amp; Transformation</b>                                           |                                          |                      |
| IT Data Centre Relocation to Guildhall                                        | Revenue                                  | 440                  |
| <b>Director of Education</b>                                                  |                                          |                      |
| Flying Start Capital Grant 22/23                                              | Grant                                    | 412                  |
| Free School Meals Infrastructure Capital Grant 21/22                          | Grant                                    | 1,805                |
| All Weather Pitch at Olchfa Comprehensive                                     | Borrowing pending future capital receipt | 1,240                |
| Football Pitch Drainage & Associated Works at Clwyd Primary                   | Revenue                                  | 100                  |
| <b>Director of Social Services</b>                                            |                                          |                      |
| Purchase IT Equipment & Van for Life Long Learning Service                    | Grant                                    | 243                  |
| <b>Director of Place</b>                                                      |                                          |                      |
| <b>Highways &amp; Transportation</b>                                          |                                          |                      |
| Local Transport Fund 22/23                                                    | Grant                                    | 1,295                |
| Road Safety 22/23                                                             | Grant                                    | 240                  |
| Safer Routes In Communities 22/23                                             | Grant                                    | 366                  |
| 20mph National Rollout Programme 22/23                                        | Grant                                    | 551                  |
| Active Travel Fund 22/23                                                      | Grant                                    | 7,030                |
| Small Scale Flood Risk Mgmt Scheme                                            | Grant                                    | 168                  |
| Mumbles Promenade Wall Coastal Erosion Scheme - Construction Phase            | Grant/Borrowing supported by WG          | 8,857                |
| Mumbles Promenade Wall Coastal Erosion Scheme - Design & Development Phase    | Grant                                    | 72                   |
| Swansea Marina Inner Lock Gate Refurbishment                                  | Revenue                                  | 430                  |
| Highways & Transportation Vehicle Replacement Prog 22/23                      | Revenue                                  | 325                  |
| Electric Vehicle Fleet Charge Point Infrastructure                            | Grant                                    | 283                  |
| Purchase of 4 Adapted Minibuses for ITU                                       | Revenue                                  | 232                  |
| Noise Fence at Rhodfa Fadog                                                   | Revenue                                  | 65                   |
| CTU Drainage Works                                                            | Revenue                                  | 20                   |
| Purchase of Camera Car for CTU                                                | Revenue                                  | 13                   |
| Upgrade Pedestrian Crossing at the Junction of High St & Alexandra Road       | Contribution S106                        | 37                   |
| New Pedestrian Crossing B4489 Swansea Rd Llangyfelach                         | Contribution S106/Revenue                | 40                   |
| Replacement of 19 Bus Shelters                                                | Revenue                                  | 100                  |
| Additional Funding for Highways Works                                         | Revenue                                  | 1,000                |
| <b>Waste Management</b>                                                       |                                          |                      |
| Upgrade Play Facilities at Hafod Park                                         | Contribution S106                        | 84                   |
| Purchase of Wood Chipper and Trailer                                          | Revenue                                  | 69                   |
| Coed Bach Park Outdoor Gym Equipment                                          | Revenue                                  | 40                   |
| Rhossili and Mumbles Changing Places Toilets                                  | Grant/Revenue                            | 188                  |
| Essential Playground Works                                                    | Revenue                                  | 510                  |
| Resurfacing Footpath and Sports Area at Dunvant Park and Meadow               | Revenue                                  | 67                   |
| <b>Culture &amp; Tourism</b>                                                  |                                          |                      |
| Purchase of Mobile Trailer Stage                                              | Revenue                                  | 60                   |
| Brangwyn Hall Lighting Renewal                                                | Revenue                                  | 100                  |
| Grand Theatre - Upgrade Malthouse Kitchen                                     | Revenue                                  | 86                   |
| Community Recreation Loan Scheme                                              | Capital Receipt                          | 20                   |
| <b>Economic Regeneration &amp; Planning</b>                                   |                                          |                      |
| Hafod/Morfa Copper Works - Powerhouse                                         | Borrowing                                | 1,322                |
| Hafod/Morfa Copper Works Laboratory Building - Scaffolding                    | Revenue                                  | 32                   |
| Skyline Project Feasibility                                                   | Revenue                                  | 430                  |
| City Centre Acquisition                                                       | Revenue                                  | 2,825                |
| Trallwn Playing Fields Drainage                                               | Revenue                                  | 102                  |
| <b>Corporate Building</b>                                                     |                                          |                      |
| Reducing Backlog Maintenance and Improving Ventilation in Schools Grant 21/22 | Grant                                    | 3,782                |
| Improvements to Facilities at Ravenhill Park                                  | Revenue                                  | 142                  |
| Additional Funding - Pontarddulais 2G Pitch & Associated Works                | Grant                                    | 211                  |
| Reprofiled Spending - All Services                                            | Various                                  | 11,826               |
| <b>TOTAL MATERIAL CHANGES</b>                                                 |                                          | <b>47,260</b>        |

# Appendix H - Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

## Which service area and directorate are you from?

Service Area: Finance & Delivery

Directorate: Resources

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

### (b) Please name and fully describe initiative here:

**Capital Budget 2022/23 and programme 2023/24- 27/28**

The report outlines a comprehensive programme of capital investment including:

- A continuing programme of IT investment across the Council
- The continued investment in Swansea Schools through Band B of the QED/Sustainable Communities for Learning Schools Programme, which now has four completed projects, and one project under construction.
- Swansea Bay City Deal schemes, the completion of Phase 1 the North Block including the Arena with further elements due for completion during the coming 12 months and commencement of construction of Phase 2 Digital Village 71-72 Kingsway Offices
- A significant programme of capital expenditure to assist the City's economic recovery from the Covid 19 pandemic

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

|                                     | High Impact              |                          | Medium Impact            |                          | Low Impact                 |                          | Needs further investigation |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|--------------------------|-----------------------------|
|                                     | +                        | -                        | +                        | -                        | +                          | -                        |                             |
| Children/young people (0-18)        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Older people (50+)                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Any other age group                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |



## Appendix H - Integrated Impact Assessment Screening Form

|                              |                          |                          |                          |                          |                            |                          |                          |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|
| Gypsies & travellers         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Religion or (non-)belief     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sex                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement**

Engagement not required for the overall capital budget. Engagement and consultation is undertaken for individual capital schemes

**Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

- a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?  
 Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
 Yes  No
- c) Does the initiative apply each of the five ways of working?  
 Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
 Yes  No

**Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

High risk

Medium risk

Low risk

**Q6 Will this initiative have an impact (however minor) on any other Council service?**

Yes       No      **If yes, please provide details below**

The capital budget is informed/developed by the Service depts. that consume capital expenditure

## Appendix H - Integrated Impact Assessment Screening Form

**Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

The capital budget covers all service areas. Each capital scheme will be subject to an IIA in its own right and any cumulative impacts identified at that point.

### Outcome of Screening

**Q8 Please describe the outcome of your screening below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

Capital finance is constrained by the amount of available resources, the budgetary process allocates that budget appropriately. There are no implications arising from this report. All future programs and schemes covered within this report will be subject to their own Integrated Impact Assessment screening.

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                       |
|-------------------------------------------------------|
| <b>Screening completed by:</b>                        |
| <b>Name: Jayne James</b>                              |
| <b>Job title: Strategic Finance Manager Capital</b>   |
| <b>Date: 03.01.23</b>                                 |
| <b>Approval by Head of Service:</b>                   |
| <b>Name: Ben Smith</b>                                |
| <b>Position: Chief Finance Officer (S151 Officer)</b> |
| <b>Date: 03.01.23</b>                                 |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)

# Agenda Item 12.



## Report of the Section 151 Officer

Cabinet – 16 February 2023

### Housing Revenue Account (HRA) Revenue Budget 23/24

|                                    |                                                                                                                                                                |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | This report proposes a Revenue Budget for 2023/24 for the Housing Revenue Account                                                                              |
| <b>Policy Framework:</b>           | None.                                                                                                                                                          |
| <b>Consultation:</b>               | Cabinet Members, Finance, & Legal                                                                                                                              |
| <b>Recommendation(s):</b>          | It is recommended that the following budget proposals be recommended to Council for approval:<br><br>1) The revenue budget proposals as detailed in section 4. |
| <b>Report Authors:</b>             | Carol Morgan / Ben Smith                                                                                                                                       |
| <b>Finance Officer:</b>            | Peter Keys                                                                                                                                                     |
| <b>Legal Officer:</b>              | Adrian Jeremiah                                                                                                                                                |
| <b>Access to Services Officer:</b> | Rhian Millar                                                                                                                                                   |

#### 1. Introduction

1.1 The setting of the revenue budget has to take account of the following issues and factors:-

- the requirement to maintain the Welsh Housing Quality Standard (WHQS);
- the requirements of the Renting Homes (Wales) Act 2016
- the funding requirements of the More Homes Programme;
- future income and expenditure trends;
- the Welsh Governments rents policy;
- cost efficiencies and value for money

1.2 The proposals in this report are based on the objective of maximising the resources available for investment in the housing stock to meet Council priorities including maintaining the Welsh Housing Quality Standard (WHQS), to reduce carbon emissions and to build affordable housing in line with the More Homes Programme. These investment priorities have been carefully balanced against consideration of affordability of rents and other service charges for tenants.

## **2. Projected Revenue Outturn 2022/23**

- 2.1 Rent arrears have been closely monitored and are anticipated to increase by the end of the financial year due to the impacts of the cost of living crisis and energy bill increases. However, these increases have been budgeted for and the current level of Bad Debt Provision is anticipated to be sufficient.
- 2.2 Revenue repairs spend has been monitored and it is forecast that there will be an overspend of £0.42m for day to day repairs as a result of higher than anticipated building inflation and dealing with the backlog of repairs due to Covid. Day to day voids are forecast to overspend by £0.3m and an additional resource in the form of a new contractor has been sourced, in an attempt to reduce the number of void properties. A further £1.150m increase in 22/23 will be required due to the decreased period in electrical testing (currently every 10 years, new legislation reduces this to every 5 years).
- 2.3 Employee budgets are forecast to be overspent by £0.3455m now that the flat rate pay award has been implemented.
- 2.4 All of the above anticipated overspends will be offset by a reduction in the Revenue Contribution to Capital (RCCO) transfer of £7.6m as a result of slippage in the Capital Programme.

## **3. Rent Income**

- 3.1 The introduction of the Renting Homes (Wales) Act 2016 means that additional notice is required to be given to tenants for any increase in rents. As a result, the rent setting for 2023/24 has been subject to a separate report.
- 3.2 In January 2023 Council approved an average rent increase of 6.5% in line with Welsh Government rents policy. The report also proposed an increase in general fees, charges and allowances of 6.5% in line with the agreed rent increase.

## **4. Revenue Budget Proposals 2023/24**

### *4.1 Overview*

- 4.1.1 In line with the requirements of the Welsh Government's Rents Policy, budgets have been examined and where possible savings have been identified.
- 4.1.2 The main budget increases from 2022/23 are an increase in revenue repairs costs of £4.49m as a result of the inflationary pressures set out in 4.2 below. An increase in employee costs of £1.61m to fund pay increases for 22/23 and to account for a forecast increase for 23/24. An increase in the Revenue Contribution to Capital (RCCO) of £1.58m, increases in utility budgets of £0.95m as a result of a significant increase in energy costs and an increase of £0.4m for the provision for bad debts.

4.1.3 The main budget savings are a reduction in the finance cost of borrowing of £323k as a result of lower than forecast borrowing due to slippage on the Capital Programme in 22/23 and a reduction in printing and postage costs of £60k as a result of removing budget provision made for additional costs for the Renting Homes (Wales) Act 2016 in 22/23.

4.1.4 The main changes to funding/income are an increase in rent income of £4.77m arising from the approved rent increase and £402k from increases in other charges including charges for furnished tenancies and some sheltered service charges. There is a reduction of £75k in income as the NSU no longer provides alarm and other services to local Housing Associations and a £35k reduction in Court Cost income.

4.1.5 The main changes from the 2022/23 budget are shown in the following table:-

| <b>Item</b>                                                                   | <b>£000</b> |
|-------------------------------------------------------------------------------|-------------|
| Increase in Revenue Repairs                                                   | 4,489       |
| Increase in Employee Costs                                                    | 1,613       |
| Increase in Revenue Contribution to Capital                                   | 1,579       |
| Increase in Utilities Costs                                                   | 954         |
| Increase in the Provision for Bad Debts                                       | 400         |
| Reduction in Income from NSU Services & Court Costs                           | 110         |
| Reduction in Other Housing Management Costs                                   | -67         |
| Reduction Finance Costs                                                       | -323        |
| Increase in Transfer from Reserves                                            | -3,580      |
| Additional income including 6.5% rent increase and increases in other charges | -5,175      |

4.1.6 Income is expected to exceed expenditure next year by £25.5m. This amount together with a contribution from reserves of £3.58m be used to contribute towards the capital programme of £50.85m in 2023/24 in order to maintain prudent levels of borrowing whilst meeting the investment priorities which are needed to maintain the WHQS and for the More Homes Programme.

#### 4.2 *Inflation*

There are significant inflationary pressures on the HRA budget for 2023/2024. The 2022/23 budget included a 3% increase for pay increases. The actual agreed figure for 22/23 was a flat rate increase of £1,925 an average increase of between 7% and 8%. For 2023/24 a similar increase has been budgeted for. Revenue Repairs budgets have also been increased as a result of high building industry inflation and increased demand due to a back log of repairs due to Covid. In addition, void repairs budgets have been increased. Energy costs have also seen a significant rise in 23/24. Some other budgets, have also been amended to reflect a significant increase in prices.

#### 4.3 *Capital Financing Charges*

Capital financing charges will reduce in 2023/24 as a result of the lower than forecast borrowing in previous years.

4.4 *Contributions to the Capital Programme*  
The additional income enables a contribution of £29.9m to the capital programme.

## **5. Risks and Uncertainties**

5.1 The main risks and uncertainties for next year are the ongoing impact of the economic crisis particularly regarding levels of rental income and rising costs due to inflation.

## **6. Reserves**

6.1 As a result of lower than forecast RCCO and additional capital grant funding in 22/23, the HRA predicted reserves balance at the start of the year will be £9.981m. This is higher than the level of reserves which is considered prudent and therefore £3,579k of reserves will be used to finance capital expenditure in 2023/24. The reserves position is detailed in Table B.

## **7. Integrated Assessment Implications**

7.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

7.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

7.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

7.4 An IIA screening form has been completed and reviewed. The agreed outcome was that a full IIA report is not required at this time. Proposals for changing levels of funding in specific areas have been subject to a screening process. Service managers have considered the implications of proposed budgetary decisions and believe that the proposed budget protects the most vulnerable and will not disproportionately impact on protected groups.

## **8. Legal Implications**

8.1 There are no legal implications associated with this report.

**Background Papers:** None

### **Appendices:**

Appendix 1 - Table A: Summarised HRA 2022/23 to 2023/24

- Table B: Movement in Balances 2022/23 to 2023/24

Appendix 2 – Integrated Impact Assessment Screening Form

## Appendix 1

**Table A: Summarised HRA 2022/23 to 2023/24**

| Classification                      | Budget<br>2022/23 | Budget<br>2023/24 |
|-------------------------------------|-------------------|-------------------|
|                                     | £'000             | £'000             |
| <u>Expenditure</u>                  |                   |                   |
| Management and Maintenance          | 33,404            | 40,907            |
| Capital Charges                     | 10,444            | 10,121            |
| Revenue Funding for capital schemes | 28,320            | 29,899            |
| Increase in Balances                | 2                 | 0                 |
| <b>Total Expenditure</b>            | <b>72,170</b>     | <b>80,927</b>     |
| <u>Income</u>                       |                   |                   |
| Rents and other income              | 71,824            | 77,003            |
| Affordable Housing Grant            | 346               | 346               |
| Contribution from in Balances       | 0                 | -3,578            |
| <b>Total Income</b>                 | <b>72,170</b>     | <b>80,927</b>     |
|                                     |                   |                   |

**Table B: Movement in Reserves 2022/23 to 2023/24**

| Description                                        | £000's        |
|----------------------------------------------------|---------------|
| Actual balance at 1 <sup>st</sup> April 2022       | -5,239        |
| Budgeted increase 22/23                            | -2            |
| <b>Budgeted balance 31<sup>st</sup> March 2023</b> | <b>-5,241</b> |
| Forecast change 2022/23                            | -4,740        |
| <b>Forecast balance 31<sup>st</sup> March 2023</b> | <b>-9,981</b> |
| Budgeted change 2023/24                            | 3,579         |
| <b>Forecast balance 31<sup>st</sup> March 2024</b> | <b>-6,402</b> |



## Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

### Which service area and directorate are you from?

Service Area: Housing and Public Health

Directorate: Place

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

### (b) Please name and fully describe initiative here:

This report proposes a HRA Revenue Budget for 2023/24

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

|                                     | High Impact              |                          | Medium Impact            |                          | Low Impact               |                                     | Needs further investigation |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|-----------------------------|
|                                     | +                        | -                        | +                        | -                        | +                        | -                                   |                             |
| Children/young people (0-18)        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>    |
| Older people (50+)                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>    |
| Any other age group                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>    |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>    |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>    |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>    |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>    |

|                              |                          |                          |                          |                          |                                     |                                     |                          |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|-------------------------------------|--------------------------|
| Gypsies & travellers         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Religion or (non-)belief     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Sex                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement**

The setting of the revenue budget has to take account of the following issues and factors:-

- the requirement to maintain the Welsh Housing Quality Standard (WHQS);
- the funding requirements of the More Homes Programme;
- future income and expenditure trends;
- increases in rent in line with the Welsh Government rent policy;
- cost efficiencies and value for money

**Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?

Yes  No

b) Does the initiative consider maximising contribution to each of the seven national well-being goals?

Yes  No

c) Does the initiative apply each of the five ways of working?

Yes  No

d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?

Yes  No

**Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

High risk

Medium risk

Low risk

---

**Q6 Will this initiative have an impact (however minor) on any other Council service?**

Yes       No      **If yes, please provide details below**

Building Services, Legal, Finance

---

**Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

Proposals for changing levels of funding in specific areas have been subject to a screening process. Service managers have considered the implications of proposed budgetary decisions and believe that the proposed budget protects the most vulnerable and will not disproportionately impact on protected groups.

### **Outcome of Screening**

**Q8 Please describe the outcome of your screening below:**

- **Summary of impacts identified and mitigation needed (Q2)**
  - **Summary of involvement (Q3)**
  - **WFG considerations (Q4)**
  - **Any risks identified (Q5)**
  - **Cumulative impact (Q7)**

An IIA screening form has been completed and reviewed. The agreed outcome was that a full IIA report is not required at this time. Proposals for changing levels of funding in specific areas have been subject to a screening process. Service managers have considered the implications of proposed budgetary decisions and believe that the proposed budget protects the most vulnerable and will not disproportionately impact on protected groups.

(NB: This summary paragraph should be used in the relevant section of corporate report)

**Full IIA to be completed**

**Do not complete IIA – please ensure you have provided the relevant information above to support this outcome**

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                    |
|----------------------------------------------------|
| <b>Screening completed by:</b>                     |
| <b>Name: Paul Lilley</b>                           |
| <b>Job title: Housing Finance and IT Manager</b>   |
| <b>Date: 24/01/23</b>                              |
| <b>Approval by Head of Service:</b>                |
| <b>Name: Carol Morgan</b>                          |
| <b>Position: Head of Housing and Public Health</b> |
| <b>Date: 24/01/23</b>                              |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)

# Agenda Item 13.



## Report of the Section 151 Officer

Cabinet –16 February 2023

### **Housing Revenue Account – Capital Budget & Programme 2022/23 – 2026/27**

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | This report proposes a revised capital budget for 2022/23 and a capital budget for 2023/24 – 2026/27                                                                                                                                                                                                                                                                                                                          |
| <b>Policy Framework:</b>           | None                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Consultation:</b>               | Cabinet Member, Legal, Finance & Access to Services                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Recommendation(s):</b>          | It is recommended that Cabinet:<br><br>1) Approves the transfers between schemes and the revised budgets for schemes in 2022/23.<br><br>2) Approves the budget proposals for 2023/24 – 2026/27.<br><br>3) Approves those individual schemes in Appendix B which are programmed over the 4 year period as described in this report, are committed and that their financial implications for funding over 4 years are approved. |
| <b>Report Author(s):</b>           | Ben Smith / Carol Morgan                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Finance Officer:</b>            | Ben Smith                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Legal Officer:</b>              | Debbie Smith                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Access to Services Officer:</b> | Rhian Millar                                                                                                                                                                                                                                                                                                                                                                                                                  |

#### 1.0 Introduction

##### 1.1 This report details:

- Revised Housing Revenue Account (HRA) capital expenditure and financing proposals in 2022/23
- HRA Capital expenditure and financing proposals in 2023/24 – 2026/27

1.2 The budget proposals are further detailed in the appendices to this report as follows:

- Appendix A: Summary of the revised budget for 2022/23 and a budget for 2023/24 – 2026/27
- Appendix B: Detailed breakdown of the revised budget for 2022/23 and a budget for 2023/24 – 2026/27
- Appendix C: Welsh Housing Quality Standard (WHQS) and More Homes scheme descriptions

## **2.0 Capital Budget**

2.1 The revised programme for the current year is £37.046m i.e. an original budget of £58.2m plus carry-forward from 2021/22 of £2.7m, additional More Homes Schemes of £4.4m less slippage into 2023/24 of £27.3m and other budget adjustments of £0.95m.

2.2 Slippage from 2022/23 into 2023/24 has occurred for a number of reasons. Post pandemic buoyancy in the building industry across the region and shortage of building industry skills has led to restricted programme delivery across a number of work streams. This has been further compounded by high demands for core building materials which has affected the supply chain. Programme delays have also occurred due to limited renewable energy design specialists to design, specify and integrate these elements into a number of wind and weatherproofing schemes.

2.3 The revised More Homes programme for 2022/23 includes increased budget for the acquisition programme, where the focus has been on purchasing ex-council properties that were sold under the Right to Buy as part of the response to rapidly increase the supply of affordable housing to deal with the continuing high levels of demand. Two schemes to convert former District Housing Offices into accommodation were also brought into the programme in response to the WG TACP (Transitional Accommodation Capital Programme) to address the immediate need for accommodation to relieve pressure on homelessness. Masterplans for larger development sites have also been developed.

2.4 The proposed four-year capital programme and the priorities of the various schemes have been developed in line with the HRA Business Plan. They are designed to maintain the Welsh Housing Quality Standard as well as increase the supply of council housing. The investment set out in 2023/24 will ensure remaining 2022/23 commitments will be met and new 2023/24 work-streams have been developed to ensure they are deliverable. Transfers and changes to the 2022/23 budget are set out in appendix B.

## **3.0 Welsh Housing Quality Standard (WHQS)**

3.1 The Council has now reached the WHQS standard and reported to Welsh Government 70% of its properties are fully compliant and with 30% reported as having an acceptable fail.

3.2 WHQS guidance permits what are termed ‘acceptable fails’, which apply to building components considered to be non-compliant but where the Council is unable to undertake major repairs or improvements due to the following four reasons: i.) Cost of remedy; ii.) Resident choice; iii.) Physical constraint; and iv.) Timing of remedy. When classing components as acceptable fail, properties will continue to be maintained and managed through the Council’s responsive and routine repairs services to ensure tenants remain safe and secure in their homes.

3.3 The WHQS element of the 4 year investment programme is to maintain those properties already compliant and address a number of those which contain an acceptable fail to further increase compliance levels in accordance with Welsh Government requirements. Schemes detailed in Appendix C will improve homes via the following key components of the Welsh Housing Quality Standard:

In a Good State of Repair

Dwellings must be structurally stable; free from damp and disrepair with key building components being in good condition.

Safe and Secure

Dwellings should be free from risks that could cause serious harm and should be secure in key areas of the home. Heating and electrical systems checks to be up to date and safe; doors and windows to provide good levels of security and fire safety measures to be well designed and in good condition.

Adequately Heated, Fuel Efficient and Well Insulated

Dwellings must be capable of being heated adequately by ensuring heating systems are fuel efficient and properties well insulated.

Contain Up to Date Kitchens and Bathrooms

Kitchen and bathroom facilities are to be relatively modern and in good condition; sufficient to meet the needs of the household and well laid out to prevent accidents.

Located in Attractive and Safe Environments

Homes should be located in environments that residents can relate to and in which they are proud to live. Improvements will be required to ensure areas within the curtilage of properties are safe and communal areas and the wider shared environment are safe and attractive.

Suit the Specific Requirements of the Household

The requirement is for homes to meet the needs of their occupants ensuring necessary facilities such as kitchens and bathrooms are sufficient and where required, adaptations are undertaken for persons with disabilities.

#### **4.0 Decarbonisation and Energy Efficiency**

4.1 The Welsh Government will be introducing new standards that will require social landlords to further improve their housing stock in order to reduce

occupancy borne carbon emissions and increase energy efficiency. The aim is to bring these into line with the Welsh Government's Decarbonisation agenda. Their Better Homes, Better Wales, Better World report sets out a number of recommendations and has an overall objective to reduce carbon emissions in social housing by 95%.

- 4.2 Revised guidance setting out additional decarbonisation duties are expected to be implemented by Welsh Government in April 2023. In the period leading up to formal adoption, there's an expectation that social housing providers will start integrating renewable technologies as a part of planned repair, maintenance and improvement capital programmes. The selection of properties to benefit from solar panels and battery storage will be based on property condition and our planned next phases of enveloping properties to upgrade aging fabric and improve thermal performance.
- 4.3 It is proposed within the wind and weatherproofing programme, schemes will contain improved designs and higher specifications which will deliver increased thermal efficiency and for the majority of schemes from 2023 onwards scheme will include renewable technologies such as solar (photovoltaic) panels and battery storage. The strategic objective will mean homes will be warmer, cheaper to run for tenants and reduce carbon dioxide emissions which accords with future WG statutory decarbonisation requirements.
- 4.4 The introduction of solar panels and battery storage to planned schemes will on average require £8.75m of investment each year across the 4 years. This investment is affordable within the HRA business plan. This investment will contribute towards reducing carbon emissions and create a platform for future measures but will not deliver carbon zero properties.
- 4.5 The investment required to achieve a fully decarbonised housing stock is estimated to be over £750 million in a time frame thought to be 10 years. Implementing these required statutory changes at this stage is a sensible and pragmatic decision noting that associated works are already in progress on these schemes. However, funding a full programme will only be achievable through additional material funding from Welsh or Central Government, and in the absence of the same, if the decarbonisation objectives are to be met, the current budgeted programme shall need to be reduced accordingly within the envelope of the business planned capital budget. These current proposals will allow the council to begin to develop and grow its knowledge and experience, build skills internally and support local supply chains.

## **5.0 More Homes**

- 5.1 The More Homes Strategy for providing new Council housing has been endorsed by Council. Indicative expenditure of £55m over 4 years up to 2026/27 for taking forward the strategy has been included in the programme. Cabinet has approved an ambition of 1,000 new council homes from 2022-2032, and this 4 year programme will enable the acquisition and construction of around 340 council homes. This will also include the acquisition of properties and land to develop for council and affordable housing. Delivery



will be aided through partnerships, which will increase capacity and pace in the programme.

## **6.0 Financing of HRA Capital Budget 2022/23-2026/27**

6.1 The attached capital budget proposals will be funded through a combination of Welsh Government (WG) contribution via its Major Repair Allowance (MRA) grant, revenue contributions from the HRA, borrowing and grants to support decarbonisation retrofit works to existing stock and new build. Details are set out in Appendix A.

6.2 The funding of the attached capital budget proposals requires additional borrowing of £105.1m for the period between 2023/24 and 2026/27. Total forecast of outstanding HRA borrowing at 31 March 2026 is £224.7m.

## **7.0 Risks**

7.1 The risks to the 4 year programme are similar to those set out in the HRA Revenue report. In particular, the level of Major Repair Allowance grant, levels of Social Housing Grant (SHG) available to support new build, future rent increases (which are determined by WG) and the effect of Welfare Reform on levels of rental income which support capital funding. Additionally there are wider economic risk and the impact of inflation, particularly within the building industry

## **8.0 Integrated Assessment Implications**

8.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

8.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

- 8.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 8.4 An IIA Screening Form has been completed and a full IIA report is not required. Reaching and maintaining the Welsh Housing Quality Standard for the Council's housing and building and acquiring additional properties for the purposes of increasing the supply of social housing in Swansea is an example of the 5 Ways of Working promoted by the Wellbeing of Future Generations (Wales) Act 2015 and will contribute towards the 7 well-being goals. The planned programme of repairs and More Homes activities set out in this report is about securing sufficient social housing for the long-term and will benefit future generations. Reaching and maintaining the standard and increasing the supply has reduced carbon emissions, increased efficiency and supported employment and the local economy. Future investment will be subject to consultation with those individuals affected via the Council's Major Works Agreement and all schemes needing planning consent will be subject to normal planning procedures and the council's IIA process. Any individual requirement will be taken into account during the scheme liaison process.
- 8.5 Repairing and maintaining existing council housing will secure social housing for the long term, making them healthier and more efficient places to live. New build social housing will stimulate local economic growth, addressing issues such as poverty, inequality, jobs and skills which directly contributes to the council's obligations to act in a sustainable way pursuant to the WFGA.

## **9.0 Legal Implications**

- 9.1 The Authority is under a duty to make arrangements for the proper administration of its financial affairs. Failure to do so will be a breach of that duty.

## **10.0 Financial Implications**

- 10.1 Expenditure is ring fenced to the HRA and will be fully funded by MRA grant from Welsh Government, revenue contributions from the Housing Revenue Account, HRA borrowing, Social Housing Grant (SHG). There are no financial implications for the Council General Fund.
- 10.2 Additional borrowing of £105.1m will be required to fund the WHQS and new build programmes from 2023/24 to and including 2026/27.
- 10.3 Contained within programme of improvements are work streams that will contribute towards reducing occupancy related carbon emission as part of the decarbonisation agenda. The scale of these proposed improvements will be small relative to the overall requirement to fully decarbonise the housing stock and are affordable within the current HRA business plan. The

investment required to completely decarbonise the Council's housing stock however, is assessed as unaffordable within the HRA's business plan and will require additional investment and support from Welsh Government to achieve this aim.

### **Background Papers**

None.

### **Appendices**

Appendix A: Summary of the revised budget for 2022/23 and a budget for 2023/24 – 2026/27.

Appendix B: A detailed breakdown of the revised budget for 2022/23 and a budget for 2023/24 – 2026/27.

Appendix C: Scheme descriptions.

Appendix D: Integrated Impact Assessment Screening Form

| Summary of HRA Capital Budget and Programme 2022/23 to 2026/27 |               |               |               |               |               |               |                |
|----------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Scheme                                                         | 2022/23       | 2022/23       | 2023/24       | 2024/25       | 2025/26       | 2026/27       | Total          |
|                                                                | Original      | Revised       | Original      | Original      | Original      | Original      |                |
|                                                                | £'000s        | £'000s        | £'000s        | £'000s        | £'000s        | £'000s        | £'000s         |
| <b>Good State of Repair</b>                                    |               |               |               |               |               |               |                |
| Wind and weatherproofing                                       | 18,761        | 8,432         | 15,955        | 28,085        | 22,300        | 26,500        | <b>101,272</b> |
| System built houses and highrise Blocks                        | 2,266         | 252           | 2,180         | 6,950         | 11,350        | 8,900         | <b>29,632</b>  |
| Roofing                                                        | 1,703         | 662           | 1,465         | 910           | 710           | 1,100         | <b>4,847</b>   |
| Windows, doors and general repairs                             | 1,126         | 883           | 330           | 200           | 200           | 180           | <b>1,793</b>   |
| <b>Safe and Secure</b>                                         |               |               |               |               |               |               |                |
| Fire Safety                                                    | 3,038         | 1,722         | 2,950         | 1,650         | 1,650         | 1,650         | <b>9,622</b>   |
| Electrical Improvements                                        | 1,974         | 1,079         | 2,595         | 1,640         | 1,130         | 1,100         | <b>7,544</b>   |
| Passenger Lifts                                                | 861           | 210           | 150           | 500           | 350           | 160           | <b>1,370</b>   |
| <b>Adequately Heated, Fuel Efficient &amp; Well Insulated</b>  |               |               |               |               |               |               |                |
| Heating Systems                                                | 850           | 1,083         | 920           | 1,000         | 1,050         | 1,500         | <b>5,553</b>   |
| Energy Efficiency and Grant Support                            | 420           | 10            | 90            | 90            | 90            | 70            | <b>350</b>     |
| <b>Contain Up to Date Kitchens and Bathrooms</b>               |               |               |               |               |               |               |                |
| Kitchens and Bathrooms                                         | 1,647         | 2,437         | 2,650         | 1,360         | 1,215         | 1,170         | <b>8,832</b>   |
| <b>Located in Attractive and Safe Environments</b>             |               |               |               |               |               |               |                |
| Environment - Within the Curtilage                             | 8,718         | 5,885         | 6,707         | 1,500         | 800           | 800           | <b>15,692</b>  |
| Estate Based Environment                                       | 2,025         | 900           | 950           | 800           | 800           | 800           | <b>4,250</b>   |
| <b>Meeting Requirements of the Household</b>                   |               |               |               |               |               |               |                |
| Adaptations                                                    | 2,750         | 2,765         | 2,750         | 2,750         | 2,750         | 2,750         | <b>13,765</b>  |
| <b>More Homes</b>                                              |               |               |               |               |               |               |                |
| New Build and Acquisitions                                     | 12,013        | 10,726        | 11,159        | 12,810        | 15,675        | 15,475        | <b>65,845</b>  |
| <b>Total</b>                                                   | <b>58,152</b> | <b>37,046</b> | <b>50,851</b> | <b>60,245</b> | <b>60,070</b> | <b>62,155</b> | <b>270,367</b> |

## Appendix A cont.

| <b>Financed By:</b>                                 | <b>2022/23<br/>Revised</b> | <b>2023/24<br/>Original</b> | <b>2024/25<br/>Original</b> | <b>2025/26<br/>Original</b> | <b>2026/27<br/>Original</b> | <b>Total</b>   |
|-----------------------------------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|----------------|
|                                                     | <b>£'000</b>               | <b>£'000</b>                | <b>£'000</b>                | <b>£'000</b>                | <b>£'000</b>                | <b>£'000</b>   |
| Major Repair Allowance (MRA)                        | 9,283                      | 9,283                       | 9,283                       | 9,283                       | 9,283                       | 46,415         |
| RCCO                                                | 20,681                     | 29,899                      | 16,849                      | 12,227                      | 7,092                       | 86,748         |
| Borrowing                                           | 0                          | 1,900                       | 27,100                      | 34,400                      | 41,700                      | 105,100        |
| Social Housing Grant (SHG)                          | 2,609                      | 4,662                       | 3,968                       | 4,160                       | 4,080                       | 19,479         |
| Land and Building Development Fund (LBDF)           | 320                        | 992                         |                             |                             |                             | 1,312          |
| Transitional Accommodation Capital Programme (TACP) | 643                        | 769                         |                             |                             |                             | 1,412          |
| Innovative Housing Grant (IHP)                      | 201                        | 301                         |                             |                             |                             | 502            |
| Optimised Retrofit Programme (ORP)                  | 2,609                      | 3,045                       | 3,045                       |                             |                             | 8,699          |
| Fire Safety Grant                                   | 700                        |                             |                             |                             |                             | 700            |
| <b>Total</b>                                        | <b>37,046</b>              | <b>50,851</b>               | <b>60,245</b>               | <b>60,070</b>               | <b>62,155</b>               | <b>270,367</b> |

Appendix B

| HRA Capital Programme                                      | 2022/23  | 2022/23 | 2023/24  | 2024/25  | 2025/26  | 2026/27  | Total    |
|------------------------------------------------------------|----------|---------|----------|----------|----------|----------|----------|
| Scheme                                                     | Original | Revised | Original | Original | Original | Original | Original |
|                                                            | 000's    | 000's   | 000's    | 000's    | 000's    | 000's    | 000's    |
| <b>Good State of Repair</b>                                |          |         |          |          |          |          |          |
| Wind & Weatherproofing, Fforesthall                        | 2,751    | 1,400   | 1,660    | 2,000    | 2,000    | 2,000    | 9,060    |
| Wind & Weatherproofing, Garden City                        | 600      | 50      | 600      | 2,000    | 1,800    | 1,300    | 5,750    |
| Wind & Weatherproofing, Birchgrove Road                    |          |         | 200      | 1,800    | 1,800    | 2,000    | 5,800    |
| Wind & Weatherproofing, Pentrechwyth                       | 1,670    | 1,300   | 2,130    |          |          |          | 3,430    |
| Wind & Weatherproofing, Trallwn Road Area                  | 1,210    | 30      | 840      | 1,350    |          |          | 2,220    |
| Wind & Weatherproofing, William Morris Gardens             |          |         |          |          |          | 800      | 800      |
| Wind & Weatherproofing, Gorseinon                          |          |         |          |          |          | 1,200    | 1,200    |
| Wind & Weatherproofing, Gowerton                           |          |         |          |          |          | 600      | 600      |
| Wind & Weatherproofing, Loughor                            |          |         |          |          | 1,100    | 1,600    | 2,700    |
| Wind & Weatherproofing, Penyrheol                          | 800      | 30      | 900      | 2,000    | 2,000    | 2,000    | 6,930    |
| Wind & Weatherproofing, Pontardulais                       |          |         |          |          |          | 900      | 900      |
| Wind & Weatherproofing, Waunarlwydd                        | 360      | 20      | 500      | 1,900    | 1,900    | 2,000    | 6,320    |
| Wind & Weatherproofing, Clase, Longview Road, Penrhiw Road | 819      | 300     | 655      |          |          |          | 955      |
| Wind & Weatherproofing, Clydach Tanycoed                   | 2,900    | 1,600   | 200      |          |          |          | 1,800    |
| Wind & Weatherproofing, Clydach Woodside Road Area         | 50       | 20      | 1,200    | 1,500    | 1,800    |          | 4,520    |
| Wind & Weatherproofing, Clydach Tyle Teg                   |          |         |          |          |          | 1,700    | 1,700    |
| Wind & Weatherproofing, Gwernfadog & Llanllienwen Road     | 450      | 15      | 635      | 2,000    | 1,700    |          | 4,350    |
| Wind & Weatherproofing, Garnswllt                          | 910      | 20      | 580      | 400      |          |          | 1,000    |
| Wind & Weatherproofing, Morriston Area                     | 780      | 20      | 750      | 1,800    | 400      |          | 2,970    |
| Wind & Weatherproofing, Trewyddfa Common                   |          |         |          |          |          | 800      | 800      |
| Wind & Weatherproofing, Llwyncethin & Maes Glas Flats      | 250      | 499     |          |          |          |          | 499      |
| Wind & Weatherproofing, Penlan & Gendros                   |          |         | 700      | 1,600    | 1,800    | 1,800    | 5,900    |
| Wind & Weatherproofing, Sketty                             | 866      | 15      | 700      | 2,000    | 2,000    | 1,600    | 6,315    |

| <b>HRA Capital Programme</b>                                    | <b>2022/23</b>  | <b>2022/23</b> | <b>2023/24</b>  | <b>2024/25</b>  | <b>2025/26</b>  | <b>2026/27</b>  | <b>Total</b>    |
|-----------------------------------------------------------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Scheme</b>                                                   | <b>Original</b> | <b>Revised</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> |
|                                                                 | <b>000's</b>    | <b>000's</b>   | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    |
| Wind & Weatherproofing, Three Crosses                           |                 |                |                 |                 |                 | 900             | 900             |
| Wind & Weatherproofing, Jones, Evans & Wilkes Row               | 503             | 602            |                 |                 |                 |                 | 602             |
| Wind & Weatherproofing, Cwm Road                                |                 |                |                 |                 |                 | 1,300           | 1,300           |
| Wind & Weatherproofing, Brondeg                                 |                 |                |                 | 1,900           |                 |                 | 1,900           |
| Wind & Weatherproofing, Landore                                 | 1,143           | 1,370          | 1,205           |                 |                 |                 | 2,575           |
| Wind & Weatherproofing, Mayhill & Townhill                      | 1,614           | 970            | 1,800           | 2,000           | 2,000           | 2,000           | 8,770           |
| Wind & Weatherproofing, West Cross                              |                 | 111            |                 |                 |                 |                 | 111             |
| Wind & Weatherproofing, West Cross - Boarspit                   | 1,050           | 60             | 650             | 1,800           | 2,000           | 2,000           | 6,510           |
| Wind & Weatherproofing, Various Locations                       | 35              |                | 50              | 35              |                 |                 | 85              |
| Airey & Traditional Built Properties, Felindre                  | 959             |                | 350             | 600             |                 |                 | 950             |
| Resiform & Traditional Built Properties, Craig Cefn Parc        | 520             | 106            | 700             | 450             |                 |                 | 1,256           |
| Wimpey No Fines (WNFs) Properties, Heol Emrys & Tudno PI Refurb | 5               |                | 500             | 1,100           | 1,800           | 2,000           | 5,400           |
| Wimpey No Fines (WNFs) Properties, Waunarlwydd                  |                 | 25             |                 |                 |                 |                 | 25              |
| Easiform Properties, Winch Wen                                  |                 | 8              |                 |                 |                 |                 | 8               |
| Highrise Flats, Dyfatty, Croft Street                           | 747             | 100            | 600             | 4,750           | 9,500           | 6,100           | 21,050          |
| Highrise Flats, Dyfatty, Griffith John Street Area              | 30              | 5              | 30              | 50              | 50              | 800             | 935             |
| Highrise Flats, Clyne Court & Jeffreys Court                    | 5               | 8              |                 |                 |                 |                 | 8               |
| Chimney Repairs                                                 | 1,600           | 550            | 1,100           | 900             | 700             | 600             | 3,850           |
| Chimney Repairs, Building Services                              |                 | 40             |                 |                 |                 |                 | 40              |
| Pitched Roof Renewal, Uplands, Sketty                           |                 |                | 360             |                 |                 |                 | 360             |
| Pitched Roof Renewal, Various                                   | 10              |                |                 |                 |                 |                 | 10              |
| Pitched Roof Renewal, Townhill                                  |                 |                |                 | 2,000           |                 |                 | 2,000           |
| Pitched Roof Various, Maes Yr Efail                             |                 | 4              |                 |                 |                 |                 | 4               |
| Pitched Roof, Various Slate Roofs                               |                 |                |                 |                 |                 | 500             | 500             |
| Flat Roof Renewal, Various                                      | 66              | 68             |                 |                 |                 |                 | 68              |
| Flat Roof & Window Renewal Rheidol Court                        | 27              |                |                 |                 |                 |                 | 27              |

| HRA Capital Programme                                      | 2022/23  | 2022/23 | 2023/24  | 2024/25  | 2025/26  | 2026/27  | Total    |
|------------------------------------------------------------|----------|---------|----------|----------|----------|----------|----------|
| Scheme                                                     | Original | Revised | Original | Original | Original | Original | Original |
|                                                            | 000's    | 000's   | 000's    | 000's    | 000's    | 000's    | 000's    |
| Balcony Repairs                                            | 390      | 458     |          |          |          |          | 458      |
| Window & Door Renewal                                      | 98       | 98      | 10       | 10       | 10       | 10       | 138      |
| Fire Door Improvement                                      | 208      | 150     | 150      | 20       | 20       |          | 340      |
| Structural Repairs                                         | 200      | 70      | 100      | 150      | 150      | 150      | 620      |
| Drainage Repairs and Improvements                          | 30       | 23      | 40       | 20       | 20       | 20       | 123      |
| Repairs to DHOs - Various                                  | 200      | 84      | 30       |          |          |          | 114      |
| <b>Safe and Secure</b>                                     |          |         |          |          |          |          |          |
| Fire Safety General                                        | 700      | 100     | 350      | 150      | 150      | 150      | 900      |
| Fire Safety Highrise (£24.6)                               |          | 8       |          |          |          |          | 8        |
| Smoke & Carbon Monoxide Detectors & Environmental Sensors  | 1,438    | 800     | 2,400    | 1,500    | 1,500    | 1,500    | 7,700    |
| Fire Safety Sprinkler System - Highrise & Sheltered        |          | 23      |          |          |          |          | 23       |
| Sprinkler System - Griffith John Street                    | 900      | 786     | 200      |          |          |          | 986      |
| Sprinkler System - Jeffreys Court                          |          | 1       |          |          |          |          | 1        |
| Sprinkler System - Clyne Court                             |          | 4       |          |          |          |          | 4        |
| Electrical Rewiring                                        | 1,459    | 609     | 1,650    | 1,000    | 1,100    | 1,100    | 5,459    |
| Electrical Rewiring Contingency                            | 5        |         |          |          |          |          |          |
| Electrical Rewiring & Emergency Systems to Communal Blocks | 200      | 189     | 100      | 50       |          |          | 339      |
| Electrical Rewiring Sub Mains to Highrise Blocks           | 20       | 1       | 5        |          |          |          | 6        |
| Warden Call and Tynetec System                             | 210      | 176     | 490      | 430      |          |          | 1,096    |
| Communal Aerials                                           | 50       | 74      | 150      | 80       |          |          | 304      |
| CCTV                                                       | 30       | 30      | 200      | 80       | 30       |          | 340      |
| Passenger Lift Renewal and Improvements - Matthew Street   | 861      | 210     | 150      | 500      | 350      |          | 1,210    |
| Conway Court                                               |          |         |          |          |          | 160      | 160      |
| <b>Energy Efficiency and Adequately Heated</b>             |          |         |          |          |          |          |          |
| Drimaster / Ventilation Programme                          |          |         | 20       | 50       | 50       | 50       | 170      |
| Boiler / Heating Replacement                               | 850      | 1,000   | 900      | 950      | 950      | 1,400    | 5,200    |



| <b>HRA Capital Programme</b>                                        | <b>2022/23</b>  | <b>2022/23</b> | <b>2023/24</b>  | <b>2024/25</b>  | <b>2025/26</b>  | <b>2026/27</b>  | <b>Total</b>    |
|---------------------------------------------------------------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Scheme</b>                                                       | <b>Original</b> | <b>Revised</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> |
|                                                                     | <b>000's</b>    | <b>000's</b>   | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    |
| Distribution Systems - General - Gas and Wet systems                |                 | 30             |                 |                 | 50              | 50              | 130             |
| Heating Upgrades / Fuel Conversions / Now Include in Boiler Renewal |                 | 53             |                 |                 |                 |                 | 53              |
| Loft Insulation                                                     | 20              |                | 80              | 80              | 80              | 60              | 300             |
| Energy Efficiency and Energy Grant Support                          | 300             |                |                 |                 |                 |                 |                 |
| Energy Efficiency - City Wide, Heat & Ventilation                   | 100             | 10             | 10              | 10              | 10              | 10              | 50              |
| <b>Kitchens and Bathrooms</b>                                       |                 |                |                 |                 |                 |                 |                 |
| Kitchens & Bathrooms, Renewal                                       | 1,500           |                |                 | 200             | 200             | 200             | 600             |
| Kitchens & Bathrooms, Extractor Fan Renewal                         |                 |                |                 | 60              | 115             | 170             | 345             |
| Kitchens & Bathrooms, Contractor 1                                  | 50              | 600            |                 |                 |                 |                 | 600             |
| Kitchens & Bathrooms, Contractor 2                                  | 55              | 16             |                 |                 |                 |                 | 16              |
| Kitchens & Bathrooms, Contractor 3                                  | 22              | 30             |                 |                 |                 |                 | 30              |
| Kitchens & Bathrooms, Contractor 4                                  | 20              | 19             |                 |                 |                 |                 | 19              |
| Kitchens & Bathrooms, Void Properties                               |                 | 1,610          | 1,600           | 1,100           | 900             | 800             | 6,010           |
| Kitchens & Bathrooms, Tenant Request                                |                 | 80             | 700             |                 |                 |                 | 780             |
| Kitchens & Bathrooms, CBS - Pantgwyn                                |                 | 82             | 350             |                 |                 |                 | 432             |
| <b>Located in Safe Attractive Environment</b>                       |                 |                |                 |                 |                 |                 |                 |
| <b>Environment - Within the Curtilage</b>                           |                 |                |                 |                 |                 |                 |                 |
| External Facilities, Various Schemes                                | 500             |                | 1,000           | 800             | 800             | 800             | 3,400           |
| External Facilities, Penlan                                         |                 | 12             |                 |                 |                 |                 | 12              |
| External Facilities, St Thomas                                      |                 | 440            |                 |                 |                 |                 | 440             |
| External Facilities, Bonymaen                                       |                 | 18             |                 |                 |                 |                 | 18              |
| External Facilities, Birchgrove                                     |                 | 4              |                 |                 |                 |                 | 4               |
| External Facilities, Trallwn                                        |                 | 26             |                 |                 |                 |                 | 26              |
| External Facilities, Winch Wen                                      | 40              | 40             |                 |                 |                 |                 | 40              |
| External Facilities, Llanllienwen Need                              | 155             | 70             |                 |                 |                 |                 | 70              |
| External Facilities, Caemawr                                        | 13              | 36             |                 |                 |                 |                 | 36              |

| <b>HRA Capital Programme</b>                            | <b>2022/23</b>  | <b>2022/23</b> | <b>2023/24</b>  | <b>2024/25</b>  | <b>2025/26</b>  | <b>2026/27</b>  | <b>Total</b>    |
|---------------------------------------------------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Scheme</b>                                           | <b>Original</b> | <b>Revised</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> |
|                                                         | <b>000's</b>    | <b>000's</b>   | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    |
| External Facilities, Clase                              | 400             | 311            | 150             |                 |                 |                 | 461             |
| External Facilities, Brondeg/City Centre                | 350             | 400            | 200             |                 |                 |                 | 600             |
| External Facilities, Samuel Crescent, Gendros & Landore | 35              | 20             |                 |                 |                 |                 | 20              |
| External Facilities, Heather Crescent, Sketty           | 20              | 25             |                 |                 |                 |                 | 25              |
| External Facilities, Oaktree Avenue, Sketty             | 250             | 75             | 375             |                 |                 |                 | 450             |
| External Facilities, Landore/Trewyddfa                  | 320             | 315            | 200             |                 |                 |                 | 515             |
| External Facilities, Chestnut Avenue, West Cross        | 870             |                |                 |                 |                 |                 |                 |
| External Facilities, Glenside, Portmead                 | 550             | 258            | 25              |                 |                 |                 | 283             |
| External Facilities, Sheltered Complexes                | 100             | 268            | 260             |                 |                 |                 | 528             |
| External Facilities, Clase                              | 50              | 40             | 30              |                 |                 |                 | 70              |
| External Facilities, Gowerton                           | 300             | 396            | 12              |                 |                 |                 | 408             |
| External Facilities, Portmead Ave                       | 650             | 401            | 250             |                 |                 |                 | 651             |
| External Facilities, Fforesthall                        | 700             | 379            | 400             |                 |                 |                 | 779             |
| External Facilities, Loughor                            | 700             | 665            | 250             |                 |                 |                 | 915             |
| External Facilities, Caergynydd Road Area               | 1,000           | 459            | 500             |                 |                 |                 | 959             |
| External Facilities, Gower                              | 1,000           | 500            | 400             |                 |                 |                 | 900             |
| External Facilities, Penllergaer                        |                 |                | 450             |                 |                 |                 | 450             |
| External Facilities, Pontardulais                       |                 |                | 900             |                 |                 |                 | 900             |
| External Facilities, Clydach East                       |                 |                | 1,000           | 400             |                 |                 | 1,400           |
| Meter Boxes                                             | 15              |                | 5               |                 |                 |                 | 5               |
| Voice Entry Systems, Various                            | 700             | 727            | 300             | 300             |                 |                 | 1,327           |
| <b>Environment - Estate Based</b>                       |                 |                |                 |                 |                 |                 |                 |
| General Environmental Schemes                           | 1,750           | 900            | 950             | 800             | 800             | 800             | 4,250           |
| Environment - Estate Based                              | 275             |                |                 |                 |                 |                 |                 |
| <b>Meeting the Needs of the Household</b>               |                 |                |                 |                 |                 |                 |                 |
| Adaptations, Internal                                   | 2,000           | 1,725          | 2,000           | 2,000           | 2,000           | 2,000           | 9,725           |

| HRA Capital Programme                                 | 2022/23  | 2022/23 | 2023/24  | 2024/25  | 2025/26  | 2026/27  | Total    |
|-------------------------------------------------------|----------|---------|----------|----------|----------|----------|----------|
| Scheme                                                | Original | Revised | Original | Original | Original | Original | Original |
|                                                       | 000's    | 000's   | 000's    | 000's    | 000's    | 000's    | 000's    |
| Adaptations, External                                 | 750      | 1,040   | 750      | 750      | 750      | 750      | 4,040    |
| <b>More Homes</b>                                     |          |         |          |          |          |          |          |
| More Homes - Parc Y Helig                             |          | 1       | 52       |          |          |          | 53       |
| More Homes - Colliers Way                             |          | 12      |          |          |          |          | 12       |
| More Homes - Creswell Road                            | 800      | 30      | 632      | 1,350    |          |          | 2,012    |
| More Homes - Other                                    | 175      | 81      | 175      | 175      | 175      | 175      | 781      |
| More Homes - Acquisitions                             | 2,000    | 4,500   | 3,000    | 3,000    | 2,000    | 1,000    | 13,500   |
| More Homes - Acacia Refurb West Cross                 |          |         |          |          |          |          |          |
| More Homes - Hillview/Beaconsview                     | 100      | 950     |          |          |          |          | 950      |
| More Homes - The Circle West Cross                    | 1,620    | 1,903   |          |          |          |          | 1,903    |
| More Homes - Conversion 70-72 Alexandra Rd, Gorseinon | 270      | 398     |          |          |          |          | 398      |
| More Homes - Purchase & Conversion Bryn House         |          | 33      |          |          |          |          | 33       |
| More Homes - Heol Dynys New Build                     | 500      | 236     | 400      | 3,000    | 1,000    |          | 4,636    |
| More Homes - Spark Centre Conversion                  | 507      | 50      | 500      |          |          |          | 550      |
| More Homes - Acquisitions Adapted Properties          | 150      | 300     |          |          |          |          | 300      |
| More Homes - Acquisition of General Fund Land         | 1,525    |         | 2,000    | 1,000    | 1,000    |          | 4,000    |
| More Homes - Heol Emrys and Tudno Place New Build     | 550      | 150     | 650      |          |          | 1,800    | 2,600    |
| More Homes - Ty Fforest                               | 109      | 111     |          |          |          |          | 111      |
| More Homes - Brondeg House                            | 77       | 567     | 200      | 2,185    | 2,000    |          | 4,952    |
| More Homes - Brokesby Road - Master Plan 4 Sites      | 730      | 400     | 200      |          |          |          | 600      |
| More Homes - Brokesby Road - Site 1                   |          |         |          |          | 4,000    | 4,000    | 8,000    |
| More Homes - Milford Way Partnership Scheme A         | 500      | 70      |          |          | 4,000    |          | 4,070    |
| More Homes - Milford Way Partnership Scheme B         | 500      |         |          |          |          | 4,000    | 4,000    |
| More Homes - Skomer and Westdale                      | 150      |         | 50       | 100      |          |          | 150      |
| More Homes - DHO Conversion Penlan                    |          | 218     | 750      |          |          |          | 968      |
| More Homes - Tan y Coed Road                          | 150      |         | 50       |          |          |          | 50       |

| <b>HRA Capital Programme</b>                        | <b>2022/23</b>  | <b>2022/23</b> | <b>2023/24</b>  | <b>2024/25</b>  | <b>2025/26</b>  | <b>2026/27</b>  | <b>Total</b>    |
|-----------------------------------------------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Scheme</b>                                       | <b>Original</b> | <b>Revised</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> | <b>Original</b> |
|                                                     | <b>000's</b>    | <b>000's</b>   | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    | <b>000's</b>    |
| More Homes - Heol Gwyrosydd                         | 150             |                | 50              |                 |                 |                 | 50              |
| More Homes - Penrhos Place                          | 150             |                | 50              | 100             |                 | 1,000           | 1,150           |
| More Homes - Gorseinon Business Park                | 500             | 500            | 50              | 100             |                 | 1,000           | 1,650           |
| More Homes - Gower Road                             | 300             |                | 50              | 100             |                 |                 | 150             |
| More Homes - Acquisition Hanover Street             |                 |                | 1,500           |                 |                 |                 | 1,500           |
| More Homes - DHO Conversion Eastside                | 500             | 216            | 750             |                 |                 |                 | 966             |
| More Homes - Scurlage                               |                 |                | 50              | 100             |                 | 1,000           | 1,150           |
| More Homes - Acquisitions Gwynfaen Farm Development |                 |                |                 | 1,600           |                 |                 | 1,600           |
| More Homes - Acquisitions Garden Village            |                 |                |                 |                 | 1,500           | 1,500           | 3,000           |
| <b>Total</b>                                        | <b>58,152</b>   | <b>37,046</b>  | <b>50,851</b>   | <b>60,245</b>   | <b>60,070</b>   | <b>62,155</b>   | <b>270,367</b>  |

## HRA 4 Year Capital Programme

### WHQS and Scheme Descriptions

#### Welsh Housing Quality Standard (WHQS)

The WHQS is a legal requirement and a strategic target for the council; it contains key standards that social landlords across Wales are expected to meet. Compliance with the WHQS is measured via condition surveys which gauge compliance based on the condition and suitability of a wide range of building components. Within the WHQS, landlords are permitted to apply 'acceptable fails' where building components are considered to be non-compliant. The four classifications of acceptable fails are: i.) Cost of remedy; ii.) Resident choice; iii.) Physical constraint; and iv.) Timing of remedy. Whilst properties may contain an acceptable fail they will continue to be maintained and managed through the Council's repairs services to ensure tenants remain safe and secure in their homes.

#### Good State of Repair

##### Wind and Weatherproofing

Wind and Weatherproofing includes the repair and upgrade of the external fabric and energy efficiency of individual homes. The purpose is to maintain structural integrity, improve weather protection and significantly increase the thermal and energy efficiency. The energy efficiency measures will be aimed towards reducing energy bills and making homes more affordable to live in. The measures will also reduce occupancy related carbon dioxide emissions and contribute towards the Council's and Welsh Government's decarbonisation agenda.

The specification of work will include insulating and renewing roof coverings, weatherboards and rainwater goods, wall tie renewal, application of external wall insulation, window renewal, porches and canopies where necessary, new front and back doors where required, balcony railings, balcony floors and doors, renewing and upgrading communal entrance doors and communal spaces, upgrades to fire safety arrangements, repairs to paths, steps, and handrails, fencing and drying facilities within the curtilage of the home.

Schemes commencing from financial year 2023/24 will include as part of the specification renewable technologies including solar panels (photovoltaic panels generating electricity) and battery storage systems. For some locations including those which are off-mains gas, refurbishment may include solar hot water panels, air source heat pumps, or ground source heat pumps, ventilation systems, mechanical heat recovery systems or any emerging technology or system that provides low or carbon neutral benefits to homes.

An additional element from financial year 2023 onwards will be the introduction of monitoring equipment into many of these schemes including which will measure and report temperature, humidity and carbon monoxide levels, gas and electricity usage. For selected properties the budget will meet the cost of testing airtightness. The monitoring equipment will allow the Council to assess the performance of homes and the impact of the improvements. Data on homes will be anonymised and then shared with the Welsh Government.

Welsh Government have advised that Optimised Retrofit Programme will be available for the Council to claim to assist with cost of undertaking monitoring works, introducing renewable technologies and enhancing fabric related insulation levels to refurbishment schemes.

Introducing renewable technologies into wind and weatherproofing schemes will reduce household costs and occupancy related carbon emissions and provide the opportunity to develop and increase skills and knowledge to design and deliver renewable energy systems in future.

To assist with delivery and monitoring performance of the energy efficiency measures, the Council may engage a partner such as an academic body or specialist in this area. Partnership may include direct contribution of some renewable equipment, post occupancy monitoring, as well as public acknowledgement of grant-based contributions, promotion and academic reporting.

These contracts will operate over the period of this four-year programme. Schemes may be packaged together to assist with delivery and may be subject to planning permission requirements; where this applies, officers will submit planning applications as necessary.

### **Airey and Traditional Constructed Properties, Felindre**

Airey properties are of a concrete panel type construction and were built in the early 1950s. Externally, work will include providing new roof coverings and rainwater goods, repairs to the structure, wall finishes replaced with a new system or with traditional building materials depending on the most effective solution. New windows, front and back doors, repairs to paths, steps, handrails, fencing and drying facilities within the curtilage of the home where necessary. The properties will also receive renewable technologies including solar panels, battery storage, ground or air source heat pumps, ventilation systems and performance monitoring equipment. Internally, work will include kitchens and bathrooms and electric wiring as part of the refurbishment and in some instances, improvements to fire safety may be undertaken. The repair scheme will secure the long-term structural integrity of the properties, improve weather protection, provide new kitchens and bathrooms and increase the thermal and energy efficiency of the dwellings.

To assist with delivery and monitoring performance of the energy efficiency measures, the Council may engage a partner such as an academic body or specialist in this field. Partnership may include direct contribution of some renewable equipment, post occupancy monitoring, as well as public acknowledgement of grant-based contributions, promotion and academic reporting.

This scheme will operate beyond a single financial period. This contract may be subject to planning permission requirements and officers will submit planning applications as necessary.

### **Resiform and Traditional Properties**

Resiform properties are of a timber frame and fiberglass panel type construction and were built in the 1970s. Work will include renewing roofs and rainwater goods, repairs to the structure, application of external wall insulation and where required new thermally efficient windows and front and back doors, repairs to paths, steps, handrails, fencing and facilities within the curtilage of the home where necessary. In some instances, improvements to fire safety may be undertaken. The repair scheme will secure the long-term structural integrity of the properties, improve weather protection and increase the thermal and energy efficiency of the dwellings. Selected properties may include renewable technologies to create Homes as Power Stations (HAPS) which aims to greatly improve the energy

efficiency of homes, reduce energy costs for tenants and inform future approaches to reducing carbon emissions and address the Welsh Government's decarbonisation agenda. The scheme may be supported by grant funding. To assist with delivery and monitoring performance of the energy efficiency measures, the Council may engage a partner such as an academic body. Partnership may include direct contribution of some renewable equipment, post occupancy monitoring, as well as public acknowledgement of grant based contributions, promotion and academic reporting. This scheme may include a cross tenure approach with a single contractor delivering improvements to both Council and private properties. In this case, HRA funding will only support the refurbishment of HRA properties but the Council may facilitate the scheme with private owners funding their work either directly or through a separately obtained grant. Properties may be subject to planning permission requirements and officers will submit planning applications as necessary.

### **Wimpey No Fines Properties – Heol Emrys and Tudno Place**

Wimpey No Fines are properties built with solid concrete walls and are thermally inefficient. A regeneration project has been commissioned to address some of the issues affecting the Wimpey No Fines properties in Heol Emrys and Tudno Place and an overarching masterplan is in the process of being developed which will set out a range of options and a programme of works to enable delivery of the agreed plan. It is likely that the plan will include a mix of refurbishment, new build and possible selective demolitions as part of regeneration works to improve the existing properties, increase the number of homes and enhance the area.

The refurbishment element will address structural repairs where required, increased loft insulation, roof covering, the application of insulated render to improve thermal efficiency and weather protection, window and door renewal and renewable technologies such as solar (photovoltaic) panels, battery storage, ventilation systems and performance monitoring equipment. Internally, homes will receive new kitchens and bathrooms and where required, new boilers and electrical wiring. The immediate environment will be enhanced and subject to the designs being finalised, homes will have Where required, repairs to paths, steps, handrails, fencing and drying facilities within the curtilage of each home will be undertaken. The regeneration programme will be subject to planning permission requirements and officers will submit planning applications as necessary.

### **Easiform Properties**

Easiform properties are typically a poured concrete construction built in the 1950s and 1960s. The scheme will secure the long-term structural integrity of the properties, improve the weather protection and safety and particularly improve the thermal efficiency of the properties. The scope of work will include roof repairs, wall repairs and insulation, window renewal as required, improvements to balconies where present and minor upgrades to fire safety. The scheme will include upgrades to communal entrance systems, repairs to paths, steps, and handrails, fencing and drying facilities within the curtilage of each home. Schemes may be subject to planning permission requirements and officers will submit planning applications as necessary.

### **Refurbishment of Highrise and Surrounding Low-rise Flats**

The Council's high rise blocks were all built in the early 1960s and now require repairs to ensure their continued use over the long term. The schemes will focus on the remaining blocks in Dyfatty, specifically Croft Street and Griffith John Street and the scope of the work will be significant and varied in order to deliver key aims which include protecting the structures; improving their weather resistance, thermal and energy efficiency and fire safety. The flats will also receive improvements to communal areas within the blocks, internal facilities for individual homes as well as wider environment to ensure they are safe

and attractive places to live. Investment will go towards the design, research and preparation of the scheme and the repair and improvements to the high and low rise blocks.

For individual flats, the schemes will provide new kitchens and bathrooms including associated work and improved kitchen layout. Electrical rewiring will be renewed where required, improvements to heating systems, integrated television reception systems and cabling for internet access, new door entry systems and upgrades to fire safety which will include the installation of sprinklers through individual flats, improved fire detection and warning, fire stopping and improved fire separation. Work inside homes may require additional repairs and renewal of decorative and floor finishes depending on the level of disruption within homes.

Communal areas will have improved drainage and repairs and upgrades to any incoming or outgoing ducts and pipe work as well as service shafts. The blocks will receive new passenger lift cars and equipment including firefighting lifts where appropriate, new communal lighting and electrical installations including communal integrated TV and internet cabling and where required upgrade to the incoming electrical sub mains supply. Communal areas will also be covered by a new sprinkler system and upgrades to CCTV to ensure all areas are monitored. Where required improvements to fire safety, decoration and floor finishes may be included.

Externally, the work will include a new roof and roof insulation, structural repairs, insulation and cladding systems, rainwater and foul water drainage and dispersal equipment, possible upgrades to incoming gas, electrical and water services, improvements to the communal walkways and upgrades to the balcony rails, balcony drainage and flooring, new balcony doors, repairs to balcony slabs, new thermally efficient windows, upgrades to fire protection, improved CCTV systems where required, improved entrances, renewal of the communal electrical wiring and lighting, and improvements to the decoration.

The highrise schemes will treat the immediate Housing owned areas in the surrounding areas with the aim to provide a safe and attractive environment for residents and visitors. To achieve this, the scheme will seek, amongst other works, to improve paths and circulation routes, improve security and safety which may include fencing and walls and improved lighting and CCTV coverage. Also work will include repairs to free standing and retaining walls, parking and areas of hard and soft landscaping, likely removal of garages and creation of additional resident parking.

The project will also create new accommodation by converting empty storage areas and commercial premises into HRA owned dwellings providing a mixture of general needs HRA accommodation where possible convert immediately surrounding hard environments into gardens or green buffer zones to improve the quality of accommodation. To create more ground floor area for accommodation and a plant room, the Town Centre District Housing Office may be relocated to vacant retail accommodation on High Street.

As part of the improvements to the wider area, the HRA may seek to acquire or appropriate properties or parcels of land in order to contribute more towards improvements to the High Street area. In such cases, officers will undertake appropriation and acquisition activities in line with the Council's constitution and corporate financial rules.

The project is expected to take over four years to complete and will run across the full-time scale of this reporting period. Schemes will be subject to planning permission requirements and officers will submit planning applications as required.



### **Chimney Repairs**

The scheme will involve repairing, rebuilding or taking away chimneys if no longer required as well as any associated works to heating systems. The work will prevent damp, minimise repairs for the response repair service and will be an ongoing scheme over the four year reporting period.

### **Pitched Roof Renewal**

Pitched roof renewal includes repairing the roof structure and chimneys, increasing insulation levels and replacing the roof covering to ensure long-term weather protection. Some schemes may include renewable technologies such as photovoltaic panels and battery storage. Contracts are expected to run over the period of this four year programme.

### **Flat Roof Renewal**

The scheme will include the renewal of flat roofs within the HRA portfolio and will include flat roofs to main buildings, stores or walkways. The work will include improved insulation and new materials to secure long-term weather protection. Work may also include any minor repairs and upgrades to fire safety in these areas.

### **Balcony Repairs**

Balconies will be repaired and improved to ensure they remain in good condition and safe to use. Repairs will include new balcony rails and enclosures (where present), repairs to the balcony slabs, supports and structures, drainage, floor surface or fire safety upgrades where required.

### **Window and Door Renewal**

Replacement of windows and doors which are at the end of their useful life or require upgrading; the new units will improve thermal efficiency and security. Where required, some windows will be replaced to provide a means of escape. Where necessary, fire doors will be renewed in flats and to storage or communal areas to ensure they provide suitable fire protection.

### **Structural Repairs**

Structural Repairs will treat free standing or retaining structures or parts of existing buildings or supporting ground where there is failure or disrepair, subsidence, heave or movement cases, and other structural elements belonging to HRA assets that are considered to be in need. The budget will meet costs for investigations, design and scheme preparations as well as demolition, repairs and renewal of properties or structures. Where necessary, this budget may support the buyback of properties where there are structurally related issues.

### **Drainage and Services**

Where new drainage is required, existing drainage is in disrepair or in need of upgrading, servicing or there is a need to address changes in demand, or upgrades to incoming water supplies, the scheme will look to maintain or improve sites and may include amongst other items: activities assisting in the design and evaluation of systems, new systems, alternative or new layouts, expansion of current systems or works to support or protect systems and arrangements. In scope will be formal storm and foul water drainage systems, swales, rain gardens, attenuation systems, gullies, watercourses, rivers, streams, ditches and culverts and areas of water run-off, pooling or ponding.

### **Repairs to HRA Offices and Operational Assets – Various**

The investment is allocated to carry out repairs, alterations, refurbishment or renewal to HRA offices and / or HRA operational assets where required. The scope of work may include the conversion of existing facilities into accommodation or vice versa depending on service requirements, demolition of redundant offices or structures in connection, the repair and upgrade or the extension or creation of new assets to assist with the management and maintenance of the HRA housing stock. The work will include various items relating to the design, fees, structure, fabric, electrical, mechanical, drainage, incoming services and elements within the curtilage. If works are subject to planning permission requirements, officers will submit planning applications as required.

## **Safe and Secure**

### **Fire Safety and Risk Reduction – Various Locations**

A range of fire safety and general risk reduction measures will be undertaken to homes, land and HRA assets. Work will be varied and will include the provision of up-to-date fire safety signage and other fire safety communication, upgrading fire stopping materials, minor changes to layout and access routes, intrusive investigations and whole building risk assessments by specialists, testing in relation to improvement work, safety improvements within homes and communal areas including communal kitchens, fire barriers, upgrades to firefighting equipment and material and improvements to fire safety monitoring and warning systems. Where opportunities arise, the Council will seek grant support and officers will follow relevant financial procedure rules relating to grants. If works are subject to planning permission requirements, officers will submit planning applications as required.

### **Smoke Alarms, Carbon Monoxide Detectors and Environmental Sensors**

Hard wired smoke alarms, heat detectors and carbon monoxide detectors will be renewed in homes to ensure uninterrupted service and ensure homes remain safe. Investment will also be used for installing, repairing and renewing environmental sensors within the home. Environmental sensors monitor heat, humidity, carbon monoxide and energy use in the home and will be a requirement for accessing Welsh Government grant aimed at supporting a programme of making homes more affordable to live in and more energy efficient. Alarms and sensors will also include remote monitoring systems which detect alarms removal, activation and disrepair. The project will be ongoing and will run over the period of this four-year programme.

### **Fire Safety Sprinkler Systems – Highrise and Sheltered Complexes**

The scheme will install a sprinkler system to individual flats and communal areas of highrise blocks and older person sheltered complexes. Investment will be to all works in connection with delivering this work. The aim is to improve the fire safety for residents.

### **Electrical Rewiring – Various Locations**

Homes with electrical installations which are approximately 30 years or identified through testing as requiring renewal will be rewired as part of a planned scheme. Investment will meet the cost of the installation and works in connection as well as disruptions costs. The project will be a long-term contract and will run over the period of this four year programme.

### **Electrical Rewiring Contingency – Various Locations**

Properties will be rewired where an electrical inspection has identified that this is necessary.

### **Electrical Rewiring & Emergency Systems to Communal Blocks**

The electrical systems in communal areas will be rewired and improved where the existing installations are required by the relevant regulation, where an electrical inspection has identified that this is required or where it is required as part of a service provided by the Council. The scope of the work will include the provision of new electrical wiring, emergency lighting, new communal aerial facilities, lightning conductors, fire alarms, Automatic Opening Vents (AOVs), smoke extraction systems, IT systems and cabling, warning or helpline systems, CCTV, electrical mains and sub mains supply (where in housing ownership) and communal fire alarm systems as required. This contract will operate over the period of this report.

### **Warden Call and Alarm Systems**

Investment is required to upgrade and improve tenant and warden call systems to alarm receiving centres to ensure continued uninterrupted provision for older and or infirm tenants. Work will include all relevant materials, installation activities and subscriptions to ensure tenants have access to a call system that contributes towards or facilitates support and help in older person accommodation.

### **Communal Aerials and TV Systems**

The scheme is to repair, renew and upgrade existing communal aerial systems and install new where appropriate in housing accommodation. The majority of work will take place in older person sheltered accommodation and blocks of flats. The work will include upgrading and renewing aerial and satellite systems.

### **CCTV and Remote Concierge Systems**

Investment will be to provide new where strictly required and renew and upgrade existing CCTV systems, infrastructure, monitoring systems and remote concierge systems to ensure they meet the needs of the Housing Service. The installation and renewal will follow the required protocols for the installation and use of CCTV systems.

### **Passenger Lift Repair, Improvement and Provision – Various Locations**

The Housing Service has responsibility for passenger lifts within its blocks of flats and sheltered accommodation. The investment is to meet the cost of assessment, design and repair, improvement, alteration or renewal to passenger lifts and lift shafts, and associated work where there are defects (or at the end of their useful life) to ensure continued safe and long-term provision. The scope of work will include new lift cars, work to electronics, lift shaft repairs and upgrade, provision of fire-fighting lifts and auxiliary power systems, and where there is sufficient requirement, new provision may be included at selected sites.

## **Adequately Heated**

### **Ventilation Programme - Various**

Investment will be to improve ventilation arrangements to improve air quality, and the energy efficiency within homes to ensure they are healthy and efficient places to live.

### **Boiler Replacement – Various Locations**

Heating systems will be renewed or upgraded as part of a long-term programme aimed at improving efficiency and reliability. The scope of the work will include surveys, investigations and designs, option appraisals where required, renewal to both individual and communal heating systems, upgrades to existing systems and fuel switching where required – this may include renewable energy systems where appropriate. This contract is ongoing and will run over the period of this four year programme.

### **Heating Distribution Systems – Various Locations**

Investment will be used for investigations, designs as well as the repair and improvement of heating distribution systems and any work in connection including gas or fuel supplies in HRA ownership or any drainage or discharging points. Work will typically include repairs, improvements and renewal of central heating pipe work, radiators, valves and thermostatic valves, insulation measures, room thermostats, electrical supply, safety valves and cut-off systems and communal heating systems. The work may also involve reconfiguring and rerouting pipe work and any works in connection. The aim is to ensure heating systems are efficient, effective, safe and reliable for tenants.

### **Heating Upgrades – Various Locations**

The scheme is designed to provide fuel switching to council homes e.g. coal to gas, storage heaters to gas or the installation of renewable heating system etc. as well as provide minor improvements to heating systems including time clocks and room thermostats.

### **Loft Insulation**

The scheme will improve loft, roof and ceiling insulation levels in council homes with the aim of improving thermal efficiency. This contract will operate over the period of this four year programme. The scheme will also seek to access and support grant funding where available.

### **Energy Efficiency Measures and Energy Grant Support – Various**

This investment is to meet the costs directly and/or support grants for carrying out design and feasibility studies as well as the delivery of measures that improve thermal and energy efficiency and/or Carbon Emissions in council homes. Work may include design and monitoring activities, engaging in academic studies into energy efficiency, the installation or the renewal of solar photovoltaics, solar hot water, battery storage, air source or ground source heat pump, mechanical vent heat recovering systems, communal heating systems, insulation measures including wall insulation or other emerging energy saving technology / applications. The aim is to support projects that will develop knowledge and understanding, make homes more energy efficient, reduce energy costs for tenants, reduce carbon emissions and inform future approaches. The work will be ongoing and is expected to run over the period of this four year programme. Where opportunities arise, the Council will participate in grant assisted energy efficiency schemes and officers will follow relevant financial procedure rules relating to grants. Schemes or activities which are subject to planning permission requirements, officers will submit planning applications as necessary.

### **Kitchen and Bathroom Renewal**

#### **Kitchen and Bathroom Renewal**

The investment will be to improve the internal living facilities, making these more safe and useable. Work may include, depending on requirements, alterations or replacement to electrical wiring, replacement central heating systems, incoming water supply, drainage arrangements, renewing food preparation surfaces, storage and cooking areas, kitchen layout alterations, flooring, decorative finishes including tiling and where required the renewal of sanitary facilities. Where required, the scheme will include general improvements to the home to enable kitchens and bathrooms to be improved, for example damp treatment, floor slab repairs/renewal or structural alteration to improve space and circulation within the home. The scheme will also include alterations and adaptations to kitchen and bathrooms where the occupants are identified as requiring these due to age, illness or disability. Contracts will operate over the period of this four year programme.

## **Located in Safe/Attractive Environments**

### **Environment - Within the Curtilage**

#### **External and Communal Facilities (Including Fencing/Walls/Hardstanding & Paths)**

The scheme will undertake repairs to the external facilities within the curtilage of individual homes and communal areas of blocks of flats to ensure they are reasonably safe and practicable areas. Garden areas can vary considerably from property to property and therefore the work will be tailored to the needs of individual homes, but will broadly include minor repairs or partial replacement of fencing and boundary walls, walls within the curtilage, repairs to structural paths, steps, handrails, drying facilities, clearance and or planting where necessary or lighting to communal areas. Where some facilities are no longer viable, these may be removed. The project will be ongoing and will run over the period of this four year programme.

### **Meter Boxes**

The scheme will replace and upgrade gas and electric meter boxes to improve safety and the appearance. The project will be ongoing and will run over the period of this four year programme.

### **Voice Entry Systems**

The scheme will renew or upgrade existing or provide new communal entrance doors in blocks of flats with voice entry systems. Investment will also ensure communal areas are protected and improve the safety and security for tenants and residents.

## **Environment**

### **General Environmental Improvement Schemes**

The scheme is to improve areas belonging to the Housing Revenue Account element of the Housing Service which are outside the curtilage of individuals' homes. The schemes will be based on consultation exercises with stakeholders as well as repairs and improvements necessary for the Housing Service to discharge its duties as asset holder.

## **Meeting Requirements of the Household**

### **Adaptations**

This funding is for alterations and improvements to council homes for tenants with medical conditions or disabilities. This scheme is ongoing and will operate over the period of this four year programme.

### **More Homes**

The investment will be to support the creation of Council homes for social rent and increase the supply of affordable housing in Swansea. The investment will be primarily used to construct new homes on HRA land but also to acquire houses, flats, bungalows, property, buildings and land, and undertake any necessary clearance and preparation or other preparatory work associated with actions set out in the agreed 'More Council Homes Strategy'. Officers will undertake appropriation and acquisition activities in line with the Council's constitution and financial procedure rules. Activities to deliver the More Council Homes Strategy will include seeking and utilising grant assistance wherever available. As well as direct delivery to build new homes, the Council will also seek options to procure a development partner or a range of partners to deliver larger mixed tenure HRA sites, as well as exploring opportunities to work with local RSLs on delivery partnerships. The schemes will operate over the period of this four year programme. Schemes will be subject to planning permission requirements and officers will submit planning applications as required.

**IIA - Please ensure that you refer to the Screening Form Guidance while completing this form.**

**Which service area and directorate are you from?**

Service Area: Housing and Public Health

Directorate: Place

**Q1 (a) What are you screening for relevance?**

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

**(b) Please name and fully describe initiative here:**

The joint report between both the Housing and Finance Service to Council sets out the revised Housing Revenue Account (HRA) capital expenditure and financing proposals in 2022/23, and the HRA Capital expenditure and financing proposals in 2023/24 to 2026/27. The investment will be allocated to long standing repair and maintenance programmes to the existing council housing stock to ensure is remains operational and meets requirements for social housing such as the Welsh Housing Quality Standard. The report also sets out programmes to increase council house provision through new build and acquisition.

**Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)**

| Impact                       | High Impact              |                          | Medium Impact            |                          | Low Impact                          |                          | Needs further Investigation |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|
|                              | +                        | -                        | +                        | -                        | +                                   | -                        |                             |
| Children/young people (0-18) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Older people (50+)           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Any other age group          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |

|                                     |                          |                          |                          |                          |                                     |                          |                          |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gypsies & travellers                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Religion or (non-)belief            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sex                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers)          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Human Rights                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement**

Consultation will be carried out to all householders affected by the schemes proposed in the report via the Council’s Major Works Agreement, and any individual needs will be accounted for as part of the scheme. Statutory Consultation via the Planning Process will be carried out for any schemes requiring planning consent.

The Housing Service has ongoing working practices with other service areas within the Council and will be working closely with these to develop, design and deliver the capital investment programme over the next 4 years.

**Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?

Yes  No

b) Does the initiative consider maximising contribution to each of the seven national well-being goals?

Yes  No

c) Does the initiative apply each of the five ways of working?

Yes  No

d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?

Yes  No

---

**Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

High risk

Medium risk

Low risk

---

**Q6 Will this initiative have an impact (however minor) on any other Council service?**

Yes

No

**If yes, please provide details below**

The programming, preparation, design and delivery of major repairs and improvements to the existing housing stock and the acquisition and the creation of new build properties will have an impact on the following Council services: Building Services, Procurement, Legal, Finance, Highways and Drainage, Corporate Property, Building Control, Social Services and Planning will all be involved in the schemes.

---

**Q7 Will this initiative result in any changes needed to the external or internal website?**

Yes

No

**If yes, please provide details below**

The Council website holds public information on both refurbishment and new build projects. Public information is available on refurbishment schemes and compliance levels, in particular how many of the Council's housing houses meet the Welsh Housing Quality Standard. The website will require updates on compliance levels for the existing stock and updates on the delivery of new developments.

---

**Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*



## **Outcome of Screening**

The planned investment and programme of repairs and maintenance to council housing and the acquisition and creation of new housing as set out in the report to Council will result in improved housing standards for residents in Swansea by increasing the number of homes with modern facilities, providing bespoke repairs and aids to those with medical or specific needs, increasing thermal efficiency to ensure homes are healthy, providing renewable technologies to individual homes to reduce carbon emission, and make homes cheaper to run (and protecting tenants from current pressures of fuel increases). The programmes are supported by the Beyond Bricks and Mortar Team with many contracts providing training and employment opportunities to those who are long term unemployed or hard to reach. The Beyond Bricks and Mortar team work with agencies who target those who may otherwise experience economic inactivity. Overall the programme will secure social housing provision for future generations.

### **Q9 Please describe the outcome of your screening using the headings below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

An IIA Screening Form has been completed and a full IIA report is not required. Reaching and maintaining the Welsh Housing Quality Standard for the Council's housing and building and acquiring additional properties for the purposes of increasing the supply of

social housing in Swansea is an example of the 5 Ways of Working promoted by the Wellbeing of Future Generations (Wales) Act 2015 and will contribute towards the 7 well-being goals. The planned programme of repairs and More Homes activities set out in this report is about securing sufficient social housing for the long term and will benefit future generations. Reaching and maintaining the standard and increasing the supply has reduced carbon emissions, increased efficiency and supported employment and the local economy. Future investment will be subject to consultation with those individuals affected via the Council's Major Works Agreement and all schemes needing planning consent will be subject to normal planning procedures and the council's IIA process. Any individual requirement will be taken into account during the scheme liaison process.

Repairing and maintaining existing council housing will secure social housing for the long term, making them healthier and more efficient places to live. New build social housing will stimulate local economic growth, addressing issues such as poverty, inequality, jobs and skills which directly contributes to the council's obligations to act in a sustainable way pursuant to the WFGA.

(NB: This summary paragraph should be used in the **'Integrated Assessment Implications'** section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                                |
|----------------------------------------------------------------|
| <b>Screening completed by:</b>                                 |
| <b>Name: David Bratley</b>                                     |
| <b>Job title: Housing Asset Manager</b>                        |
| <b>Date: 06/01/2023</b>                                        |
| <b>Approval by Head of Service:</b>                            |
| <b>Name: Carol Morgan</b>                                      |
| <b>Position: Interim Head of Housing and Public Protection</b> |
| <b>Date:</b>                                                   |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)

# Agenda Item 14.



## Report of the Cabinet Member for Care Services

Cabinet - 16 February 2023

### Annual Review of Charges (Social Services) 2022/23

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | This report is the latest annual review of social services charges, improvements undertaken in year and a proposed list of charges to apply in 2023/24                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Policy Framework:</b>           | Part 5 of the Social Services & Wellbeing Act 2014, Swansea Council's charging (social services) policy                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Consultation:</b>               | Cabinet Members, Corporate Management Team, Legal and Access to Service, Social Services Finance & Charging group                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Recommendation(s):</b>          | It is recommended that Cabinet:<br><br>1) Notes the findings of the annual review of charges report.<br><br>2) Subject to the approval of the Council Budget for 2023 /24 approves an inflationary increase of 10% to be applied to all social services charges to come into effect on 1st April 2023.<br><br>3) Subject to recommendation 2, approves the list of social services charges to apply from 1st April 2023, for the year 2023/34 for publication.<br><br>4) Reinforces the need for the Council's debt policies to be applied. |
| <b>Report Author:</b>              | David Howes/Simon Jones                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Finance Officer:</b>            | Chris Davies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Legal Officer:</b>              | Debbie Smith                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Access to Services Officer:</b> | Rhian Millar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

## **1. Background**

- 1.1 Swansea Council's Charging (social services) policy sets out the arrangements for charging citizens for costs incurred when providing care and support services. The List of Charges, appended to the policy, details what services are chargeable and the level of charge for the year ahead.
- 1.2 Swansea's Charging policy aims to ensure that charging, where it occurs, is consistent fair, transparent and applied equally; that the charges are set out and published in a way that can be clearly understood. The policy also ensures individuals who are asked to pay a charge will only be required to pay what they can afford; this is ensured through the offer of a financial assessment.
- 1.3 Social Services and Well-being (Wales) Act 2014 (The Act) came into effect in April 2016 setting out the statutory requirements placed on each Local Authority, to publish their discretionary charges for social services.
- 1.4 In working a sustainable approach to social care, Welsh Local Authorities have some discretion in how charges for residential and non-residential and community-based social services can be applied. Under the Social Services and Well-being (Wales) Act 2014, a local authority can only charge:
  - up to the cost of providing the service
  - what the person can afford to pay for an assessed for service

## **2. Annual Review of Charges**

- 2.1 Swansea Council's sixth annual review of charges is a reflection on how current charges are working, taking into account the following:
  - Statutory considerations- any changes to national policy
  - How Current charging policy is working in practice
  - Improvements made this year and changes planned
  - Opportunities for any new charges
  - What people are telling us
  - How Swansea's list of charges compares to other Welsh Local Authorities
  - Integrated Impact assessment
- 2.2 The attached report in Appendix 'A' provides the detail on the annual review of charging in social services. It shows the methodology used, summarises the findings, in proposing a revised List of Charges to apply in 2023/24, alongside the integrated impact assessment.
- 2.3 The full report considers the impacts of the cost-of-living crisis, projected inflation most importantly the impact on citizens carers, and families.

- 2.4 Set alongside this demand for and charging for care and support within the pandemic; how a context of growing demand and rising costs within social care is impacting on the levels of income generated in the period. This report also provides Cabinet with an opportunity to consider the annual review, the charging policy, and to agree on the list of charges for social services to apply in 2023/24.

### **3. General Issues**

#### **3.1 Policy changes.**

There are no significant changes proposed to Swansea Council's Charging (social services) policy, though the policy has been reviewed and revised so that the content and links remain up to date. At the time of reporting, no changes to the national charging framework or guidance have been announced by Welsh Government.

#### **3.2 Economic.**

The total amount of income generated (£16.5m) from charges for Adult social care is significant, and helps towards a sustainable service model. Overall, the main report shows that the total amount of income generated in year has fallen slightly year as service offers were impacted by the pandemic. The social care market, as all households and businesses, has been seriously impacted by UK inflation on real wages, energy and fuel costs, and price increases.

#### **3.3 Social.**

The cost-of-living crisis will be having a disproportionate impact on those people in receipt of social care their carers and families. We have to consider how poverty can impact on the wellbeing and care and support needs of the most vulnerable citizens. Swansea Council is working on a corporate debt recovery policy to ensure that a fair and compassionate approach is taken when working with individuals and families who are in arrears through charges.

- 3.4 Overall Swansea's charging policy falls in line with Welsh Government policy, and the approach taken by other Welsh Local Authorities.

### **4. Financial Issues**

- 4.1 Swansea's Charging (social services) policy applies the corporate principle of full cost recovery. In reality, charges can only recover some or all of the costs of services from citizens, as there is a national framework of caps and thresholds set. Any decision to, or not to, charge for services, or to subsidise the costs of services should be based on detailed cost and demand analysis, encouraging fair access, and this annual review helps to support this process.

- 4.2 Income generation can reduce the costs of services to Council taxpayers or to provide care and support to more people in need. Overall, this work contributes towards Swansea Council's Corporate Plan strategic objective to safeguard our most vulnerable citizens.
- 4.3 Finance Officers have been fully involved in the work of the Social Services Finance & Charging group and the review process. The proposals set out by the review report support the Council's Medium Term Financial Plan objectives and assumes that any additional general fund income generated through the changes to charges proposed within this report will help to meet additional cost pressures within the service.
- 4.4 There are no additional financial implications.

## **5. Legal Issues**

- 5.1 The legal framework for setting charges for social services is set out in Appendix A, the review report.
- 5.2 A local authority must publish information about its charging arrangements and general fee levels for statutory and discretionary care and support services.
- 5.3 Local authorities are empowered (but not obliged) to charge for the care and support they provide or arrange to be provided to meet a person's needs. The charge can only relate to the cost that the local authority incurs in meeting the needs to which the charge applies.
- 5.4 The charge imposed must be no more than is 'reasonably practicable for the person to pay'. The Care and Support (Charging) (Wales) Regulations 2015 and Part 4 and 5 Code of Practice (Charging and Financial Assessment) set out the provisions relevant to charging and financial assessment.
- 5.5 The regulations stipulate that the maximum charge for non-residential care and support is currently £100.00 per week. The capital limit for the purposes of residential care is presently £50,000 and the capital limit for the purposes of non-residential care charges is £24,000. These limits may change for the next financial year as the Welsh Government sets the level of the maximum charge and capital limit each year.
- 5.6 The Care and Support (Financial Assessment) (Wales) Regulations 2015 makes provision about the way in which a local authority must carry out a reasonable financial assessment of a person's financial resources.
- 5.7 There are no additional legal implications

## 6. Integrated Assessment Implications

- 6.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English. Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 6.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 6.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 6.4 There are no changes proposed to the Council's Charging (social services) policy at this time.
- 6.5 Following public consultation and targeted involvement of those directly impacted a full IIA Report was undertaken (see Appendix B).
- 6.6 An Action Plan has been completed to address any actions identified throughout the assessment that will help monitor and take mitigating action to the proposal once it is implemented, actions are summarised below;
- Finalise and publish financial assessment guidance
  - Implement Swansea Council Tackling Poverty strategy
  - Implement Swansea Council Prevention strategy
  - Finalise Council Debt strategy

- Monitor clients falling below the threshold for the maximum weekly charge based on actuals
- Profile local population subject of non- residential charging for protected characteristics
- Review and update the Councils' process for annual review of social services charges

6.7 It is not anticipated that this proposal will adversely impact people and communities, as there are strong and established processes, set both nationally and locally in place to mitigate such impacts.

**Background papers:** - None

**Appendices:**

Appendix A– Annual Review of charges (social services) 2022/23

Appendix 1 (to main report) – List of Charges to apply in 2023/24

Appendix 2 (to main report) – Comparison with other Welsh Local Authorities

Appendix B - Integrated Impact Assessment





## Appendix A

### Annual Review of Swansea Council's Charging Policy (Social Services)

2022/23

Summary report based on work carried out on behalf of the Council  
by the Social Services Finance and Charging Policy Working Group

January 2023 v8.2

#### 1. Introduction

1.1 **Annual Review report**- sets out the finding and recommendation arising from Swansea Council's sixth annual review of social services charges to inform council policy and a revised list of charges, **due to come into effect from 1st April 2023**. This report builds on work undertaken in previous years to keep Swansea's charging fair and equal, and in line with the rest of Wales.

1.2 **Purpose and Scope of review** - the annual review is part of a programme of work undertaken during the year by the Social Services Finance and Charging group.

The annual review considers the following:

- how current arrangements are working
- whether there have been any changes in the policy context,
- operational issues in applying council policy,
- whether charges impacting on demand for social care
- what people are telling us,
- whether there are equalities impacts linked to the proposals.

The scope for the review is:

- To consider the level of inflationary uplift and minimum charging levels that should be applied to non- residential care charges in the 2023/24
- To consider whether any changes are needed to Council Policy
- To identify any next steps for year ahead

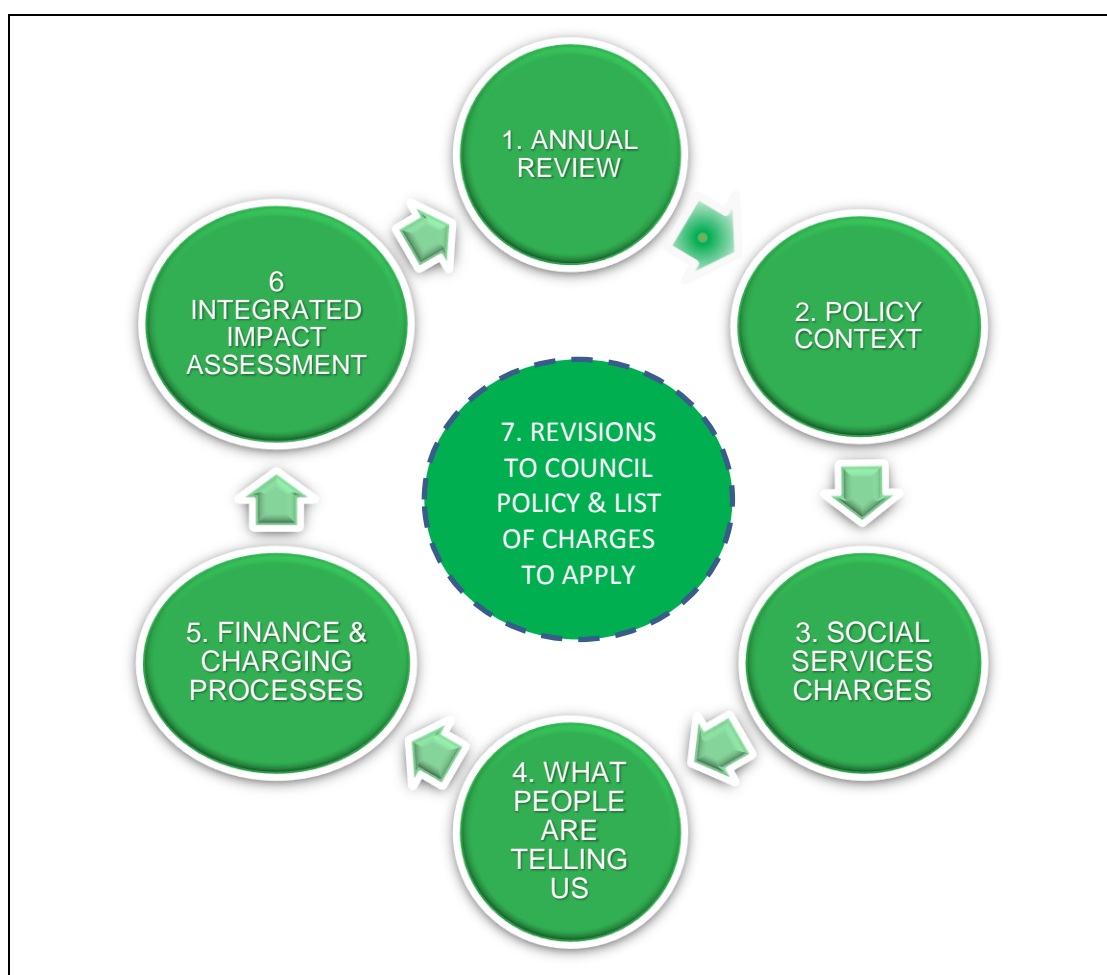
#### 1.3 Social Services Finance & Charging Group

The Social Services Finance and Charging group is chaired by the Director of Social services to oversee how the Council's social services manages financial process and income generation, in our work with partners and citizens. This leadership group ensures effective implementation of the Council's charging (social services) policy, taking any decisions on changes to policy and through implementing the list of charges, agreed by Cabinet. This group also monitors the impact of the Charging

Policy on citizens and carers, as well as on managing the resources available to the Council.

1.4 **Swansea’s approach to the Annual Review of Social Services Charges** is based on Audit Wales best practice for reviewing charging, to help ensure that Swansea’s charging policy continues to be based on strong principles of fairness and equality, to support Council’s approach to achieve full cost recovery and transparency in how it is being implemented. Also, the “Five Ways of working” and set out by the Wellbeing of Future Generations (Wales) Act 2016:

- Long Term
- Collaborative
- Preventative
- Integrated
- Involvement



*Figure 1 Swansea’s approach to annual review of social services charging*

1.5 **Integrated Impact Assessment** -his review also uses the integrated impact assessment with this approach, to ensure that the list of charges as proposed by the Social Services Finance and Charging group, chaired by David Howes, Corporate Director of Social Services, taking into account the broader range of impacts on the people we serve, including groups with protected characteristics.

1.6 **Proposed List of Charges** - This annual review carried out on behalf of the Social Services Finance and Charging Group proposes a revised List of Charges to come into effect in 2023/24 and which are then to be appended to the Swansea Council's Charging Policy (Social Services) on the public website.

## 2. Policy Context

### 2.1 Part five of the Social Services and Well-being (Wales) Act 2014

Local authorities are empowered to charge for the care and support they provide / arrange to be provided (under sections 35 – 45 of the 2014 Act) to meet a person's needs. The charge can only relate to the 'cost that the local authority incurs in meeting the needs to which the charge applies' (s59(2)).

('the Act'), determines that a local authority can only charge individuals:

- Up to the cost of providing the service
- What the person can afford to pay for an assessed for service

These conditions are designed to ensure that local authorities do not charge for the actual assessment process – even if the person in need is a 'self-funder'.

2.2 **Statutory requirements.** Under section 59 of the Act, there are recently (amended) Care and Support (Charging) (Wales) Regulations 2015 [2], version 5 of the Part 4 and 5 Code of Practice (Charging and Financial Assessment, updated April 2020). These all determine that Welsh Local Authorities must publish their own interpretation of the relevant Social Services and Well-being (Wales) Act Code of Practice, how any discretionary powers conferred by the Welsh Government will be exercised in the year ahead and a list of charges to apply.

2.3 **Local Authority Discretionary powers-** Where a council decides to charge for the care a person receives, it must do so in accordance with the regulations and codes of practice, as above. Welsh Councils retain considerable discretion on which social services are charged for, and the level of charge. The Welsh Government's social services charging policy framework requires Councils to show citizens how they intend to apply discretionary powers on charges for social services, within a charging policy.

2.4 **Statutory limits and thresholds.** The Act also states that any charges for social care cannot be set at a level higher than the cost of providing the service. That charges can only relate to the 'cost that the local authority incurs in meeting the assessed, eligible needs for managed care and support, to which the charges may apply (section 59-2).

Any changes to allowances that may apply in 2023/24, are not yet confirmed by Welsh Government, here is link to current guidance:

[Charging for social care | GOV.WALES](#)

## 2.5 Recent changes in Wales

Health and Social Care are devolved in Wales, so how the Welsh Government intends to respond to any cuts to funding, or whether there are to be any changes to the statutory arrangements, remains uncertain.

Welsh Government's White Paper, Rebalancing care and support (February 2021), set out a series of proposals to "reduce complexity, increase sustainability, and strengthen integration". It proposed focussing on three areas for improvement:

- refocussing the fundamentals of the care market,
- reorientation of commissioning practices; and
- evolution of integration mechanisms.

Also, the Welsh Government's Programme for Government 2021-26, published in June 2021, committed to pursuing "a sustainable UK solution so that care is free for all at the point of need and/or consult on a potential Wales-only solution to meet our long-term care needs". Clearly there will be impact from public sector funding cuts. There has also been a recent Welsh Government policy consultation on eliminating profit out of placements for children in care, though charges do not extend into this area.

A Senedd Committee report: "Paying for care and support services (adult social care) - a guide for constituents" has been published in January 2022.

[paying-for-care-a-guide-for-constituents-english.pdf \(senedd.wales\)](#)

In February the Minister for Social Services in Wales announced the establishment of an expert group, which would produce a report and recommendations about the steps towards creating a National Care Service.

[Written Statement: National Care Service – Expert Group Report \(10 November 2022\) | GOV.WALES](#)

A report of the expert group on establishing a National Care & Support Service was published in September 2022.

[Establishing a national care and support service | GOV.WALES](#)

## 2.6 Discretionary powers

Councils by exercising their discretionary powers in charging for services to meet needs, are expected to act with a general requirement of 'reasonableness'. Citizens are protected by nationally determined capital limits, weekly charging caps and personal income allowances, which are set by Welsh Government every year by ministerial statement. In most circumstances, the council must also offer a financial assessment to citizens to ensure any charge made for care and support is reasonable compared to the person's financial means. Although charges are applied under a single policy framework, there are still some differences between calculating a charge for non-residential care (a maximum weekly charge may apply, and a

capital threshold limit may apply) and calculating a charge for residential care (capital threshold may apply).

## 2.7 Changes in UK

In some ways the England direction of travel is mirroring that which is already in place in Wales. In September 2021, the Prime Minister confirmed the government will be providing funding to support local authorities move towards paying providers a fair rate of care. The UK government also announced in their White Paper 'People at the Heart of Care' Adult Social Care Reform White Paper that from 2022 to 2025, ministers would provide £3.6 billion to reform the social care charging system, enable all local authorities to move towards paying providers a fair rate for care and prepare local care markets for implementing reform. Also, the UK government policy would go a step further by proposing a new £86,000 cap on the amount anyone in England will need to spend on their personal care over their lifetime. More recently it has been announced that social care charges reforms in England are delayed for two years until 2025. Social Care is devolved to the Welsh Government, and yet dependent on the UK Government for any additional funding to sustain the current charging and funding model.

## 2.8 Legal Challenges

If a person believes that the charge is 'more than reasonably practicable' for them to pay, they have the right to complain to the Council or to the Public Ombudsman and they are entitled to ask the Council for charges to be reconsidered. In Wales the charges for non-residential, community-based care and support are part of the national charging framework as outlined approve and a person's contribution is capped nationally at £100 per week. There have not been any successful legal challenges of social care charging policy reported in Wales this year.

## 3. Social Services Charges

3.1 Swansea **Council's Charging (social services) policy**. All charges relating to social care are covered by Swansea Council's Charging Policy (Social Services) – version 3. [Charging Policy \(Social Services\) - Swansea](#)

An updated draft version 4 is expected be published by April 2023.

3.2 **Key Principles** Swansea Council aims to be clear, fair and transparent in what we charge for, and we do this by publishing an annual schedule/ list of charges, as set out in a Swansea Council Charging Policy. There are some 'fairness' issues in applying this national charging policy, which in effect imposes a charging ceiling, which can mean everyone may be charged the same regardless of wealth or amount of service received, over a certain amount. The financial assessment is carried out, to means test this approach, though still this will clearly have greatest impact on those people with less income.

**3.3 Swansea Council's financial strategy and spending rules** is that officers work within the principle of full cost recovery, and we are continually working to improve our understanding of the costs of delivering services to the public, and the factors which cause variations in costs over a period of time, such as occupancy rates, staffing costs and inflationary pressures. Through the work of the Finance and Charging group, the most recently available 'unit costs', across the accepted categories of social services, are used as the basis for current charges, and to reflect full cost recovery.

**3.4 Opportunities for Potential Charges** - Welsh Government's current charging framework allows for discretion in charging adults for Care and Support services. In exercising this discretion, the Council must consider carefully whether any additional care and support services should to be added to the list of charges; whether within the community-based category, or by applying a flat rate, and the cost/ benefits of doing so.

The following table summarises potentially new services areas which have been actively considered during the past two years, and the current position of the Social Services Finance & Charging group.

| <b>Council service subject to discretion</b>                             | <b>Latest position:</b>                                                                                                                                                                                   |
|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commissioning support – partners including administration cost           | Within overall approach to re-charging                                                                                                                                                                    |
| Carers support services                                                  | Not expected to apply under national framework                                                                                                                                                            |
| Community Alarm Service Charges                                          | Installation fee and replacement pendant charges as flat rate charges are being considered, as part of annual service review- in year changes to charges, following IAA, may apply – see List of Charges. |
| Deferred Payments- administration                                        | Not currently applied- see paragraph 3.6                                                                                                                                                                  |
| Self-funders - administration                                            | Not currently applied                                                                                                                                                                                     |
| Local Area Coordination                                                  | Not currently applied                                                                                                                                                                                     |
| Occupational Therapy –assessment for provision of equipment & assistance | Not currently applied                                                                                                                                                                                     |
| Employment related services                                              | Not currently applied                                                                                                                                                                                     |
| Other- Preventative                                                      | Not currently applied                                                                                                                                                                                     |
| Services to Children, Young People & Families                            | Not expected to apply under national framework                                                                                                                                                            |

### **3.5 Areas -charged not currently applied**

Some areas are not suitable for local charges as they would act as a disincentive to people who are seeking to improve their own wellbeing. For example - employment, prevention and carers support.

Other areas such as administration costs have been actively considered, but the likely income to the Council that could be raised has to be balanced against the costs of collection.

### 3.6 Deferred Payments

The following table shows the current position in respect of deferred payments, and that resolution is expected in these areas, though the timetable for a sale of property to offset the bill of charges for social care is complicated by factors such as probate, housing and the housing market. It has been the view that charging additional administration or interest costs adds more financial cost, more work for the Council and additional complications in a relatively small number of cases, for what would be limited revenue source.

| Deferred Payment         | Number @ Nov. 2022      |
|--------------------------|-------------------------|
| DPA's offered & accepted | 35                      |
| DPA's offered            | 23 (awaiting paperwork) |
| S71 charge placed        | 15                      |

3.6 **Benchmarking** - this annual review of charges has also looked at the 2022/23 charging schedules of some other Welsh Local Authorities and there are examples of Welsh Council's discretionary approaches to social services charging summarised at the end of the table in **Appendix 2**.

## 4. What people are telling us

4.1 **Public consultation**- there has been no formal public consultation undertaken this year in relation to charges, as the Council's charging (social services) policy has not changed.

### 4.2 Complaints/ Compliments

Social Services and Adult Services received a higher number of compliments in 2021/22 compared to previous year.

Some complaints are coming from individuals, their carers or relatives, in relation to the costs of their care. Annual Reports summarising the Complaints and Compliments received relating to Adult and Child and Family Services, are reported to Governance & Audit Committee. Work is currently underway on the latest reports.

| <b>Complaints received by Corporate Complaints Team relating specifically to social services charging (e.g. unhappy with charges levied) in year</b> |         |         |         |
|------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|
| Outcome/ Year                                                                                                                                        | 2019/20 | 2020/21 | 2021/22 |
| Stage One - Justified                                                                                                                                | -       | 7       | 4       |
| Stage One -Partially Justified                                                                                                                       | -       | 2       | 1       |
| Stage One - Not Justified/                                                                                                                           | 1       | 1       | -       |
| Stage One - Local Resolution /Other                                                                                                                  | 3       | 1       | -       |
| Stage One - Not Pursued/ Informal                                                                                                                    | -       | -       | -       |

|                                   |                                                                   |                                       |                                                                        |
|-----------------------------------|-------------------------------------------------------------------|---------------------------------------|------------------------------------------------------------------------|
| Stage Two - Partially Justified   | -                                                                 | 1                                     | -                                                                      |
| Stage Two - Not Pursued/ On-going | -                                                                 | 1                                     | 2                                                                      |
| <b>Totals</b>                     | Stage 1 = 4<br>15, in total<br>relating to<br>Financial<br>Issues | Stage 1 =<br><b>11</b><br>Stage 2 = 2 | Stage 1 = 4<br>Stage 2 = 3<br>(relating to<br>financial<br>assessment) |

There are also a high number of compliments praising the professional support provided, and the skills of the help given to people in accessing a range of social services. [Social Services Compliments 2021 to 2022](#)

### 4.3 Public Ombudsman

The Public Ombudsman cannot assess an individual's ability to pay for the cost of their care and support services, they sometimes receive complaints about related matters, which are summarised in a casebook (most recent case book 2021). <https://www.ombudsman.wales/case-books/>

## 5. Finance & Charging Processes

### 5.1 Financial Assessment

It is important that the financial assessment is offered to the person being charged for the care and support they actually receive, and that this assessment is carried out fairly, and accurately, based on the information provided. The financial assessment takes full account of a person's income and personal expenses, and it is also important that this assessment is reviewed as the person's circumstances change, and annually.

### 5.2 Social Care Income and Finance Team

The Social Care Finance Team is part of the Revenues and Benefits Service within the Financial Services Department and is responsible for:

- Undertaking financial assessments of clients' contributions towards the cost of their care
- Collection of those client contributions
- Scrutiny of claims for re-imburement from care providers
- Payments to care providers for residential and non-residential care
- Payments of Fostering and Adoption allowances including the means test that determines the allowance paid to an adopting parent
- Payment of Special Guardianship Allowances
- Payment of Direct Payments

This important section currently deals with expenditure on behalf of Social Services of approximately £50 million per year and last year generated £14 million of income



to the Council. Overall, the Revenues and Benefits service manages transactions of approximately £300m a year. Staff have generously been working overtime over the last 18 months, so to avoid any significant work delays impacting on citizens, providers and partners. The SCIF team continues to provide a high standard of service on behalf of the Council's social services.

In 2021/22, the SCIF team carried out **5,011** financial assessments of social care clients (6,830 financial assessments were undertaken in 2020/21)

Of this number, there were:

- **1,625** assessments of new clients (2,477)
- **3,386** reviews of existing clients (4,353)

The overall number of assessments has reduced slightly during the last financial year. This can be attributed to the continued presence of covid, and the immense pressures facing the care industry with a reduction in available beds and the increasing fragility of the health and social care sector, for example in domiciliary care provision.

In response to the pandemic, there has been considerable additional work carried out by the SCIF team in relation to:

- Residential Care:** As a result of the Covid responses between the Council and Health, the SCIF team dealt with a variety of different placements as a result of new pathways aimed at rapid discharge to help Health in releasing beds. New placement types were set up at short notice to facilitate easier reporting for Social Services. To ease pressures on residential care providers and allow them to focus on the covid crisis, payments for new residents were changed from net to gross. This means that the providers would not have to collect client contribution for new residents thereby reducing their administrative burdens. Gross payments have provided the residential social care sector with additional stability needed during this uncertain period. Many residents are moving through the cycle of community-based services and into residential / nursing care so are more used to receiving invoices from the Council towards the cost of their care. This innovative process has worked well, and the Social Services Finance & Charging groups has agreed to the arrangement at this time.
- Domiciliary Care:** The section worked closely with Commissioning to put into place block payments for residential providers during the first lockdown. Following the RAG status of all Packages Of Care (POCs) by Adult Services, a number were amended or cancelled, following collaboration between the council, provider and families. To stabilise the market during uncertain times, block payments were arranged which guaranteed payments to providers at a time when they were in a critical position. The SCIF team also been involved in other commissioning changes including the calculation and issuing of invoice templates at short notice due to a mid-year uplift in provider rates and are shortly due to redo this exercise following a further change to commissioning practices for payment of short calls.

- c) **Direct Payments:** Work has taken place in the area of Direct Payments to ensure that there are robust systems for managing and reviewing how individuals are using funds to achieve their agreed outcomes, and where there is outstanding funds, these are recovered to the Council. Our small Direct Payments section have processed 582 care worker payments, and then paid out £429,500 for eligible personal assistants under the Welsh Government scheme.

### 5.3 Income Generation - Table showing Income Generated by year to date.

| Service Category   | 2018/19           | 2019/20           | 2020/21           | 2021/22           | Totals            |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Community Alarms   | 487,686           | 450,380           | 395,850           | 494,843           | 1,828,760         |
| Day Services       | 433,814           | 559,804           | 241,030           | 272,057           | 1,506,705         |
| Direct Payments    | 886,157           | 1,371,828         | 1,341,393         | 1,173,909         | 4,773,287         |
| Domiciliary Care   | 2,790,267         | 2,803,476         | 2,823,830         | 2,738,092         | 11,155,664        |
| Other/Admin.       | 392,490           | 545,833           | 378,394           | 300,569           | 1,617,285         |
| Residential Care   | 11,579,594        | 12,845,876        | 11,628,620        | 11,007,404        | 47,061,495        |
| <b>Grand Total</b> | <b>16,570,008</b> | <b>18,577,197</b> | <b>16,809,117</b> | <b>15,986,874</b> | <b>67,943,196</b> |

Table 3. Adult Services Yearly Analysis of income/ income related to charging by type - figures based on information within the Council's financial ledger

#### Main Points from previous table:

- Significant income is generated by charging for Adult Social Care
- Overall the figure continues to be impacted by the pandemic, as the Council's, adult community-based and residential care services have modified their offer in response to the emerging situation, and workforce pressures.
- In last year's report when considering income projections for Adult Services in Swansea in 2021/22, we estimated the net loss of income within Adult Services to be in the order of £1.46m
- The above table shows a £800k fall in income generated to Swansea Council related to adult social care, in comparison to last year.
- The table shows a £0.6m fall in income relating to residential care
- Income from community alarms has risen by £99k. This is a 25% increase and takes the service above the income peaks achieved in 2018/19.
- Domiciliary Care income is 3% lower than the previous year and income in this sector has proven relatively consistent in value over the last four years
- Income from day service charges has risen by £31k
- Income from direct payment recovery has fallen, though this will not be considered as income in future reports.
- The reduction in other/administration is caused by a 9% drop in the income generated through the Client Finances Teams and the fall out of £45k of one-off income generated within Suresprung in 20/21

5.4 Any projection of income expected in 2022/23 is not an exact science due to the number of variables involved, for example demand for service, changes in household incomes, and the impact on thresholds. The Social Service Performance

and Financial Monitoring meeting continue monitor internal and external income as part of the budget reporting, and action taken is accordingly.

## **5.5 Debt Recovery / Invoicing**

Considerable work has been undertaken through the year to reduce outstanding debt in social services. As at 31/03/22, the residential care related debt outstanding for more than 90 days stood at £4.1m. Of this, £1.4m related to just 16 debts over £50,000 which we are recovering and are in hand. Non-residential debt over 90 days to year end was reported at £512k. Of which £104k relates to 7 debts.

We are currently working with citizens, representatives and social services colleagues to recover these debts and make appropriate resolutions.

Debt recovery is still impacted by Covid as property sales are taking longer to complete and probate is taking longer to be granted. We are also seeing an increased number of cases where people who owe money have lost capacity. Court of Protection applications are currently taking over 9 months to register from the date of application during which time debts to the authority increase whilst a person is waiting to be appointed. The current cost of living crisis is also undoubtedly having an impact; however, this is not quantifiable at the current time.

Local authorities are not permitted to withdraw care and support services, due to a person failing to pay for them– but are expected to act reasonably and they are permitted to take debt recovery action. A Corporate Debt recovery policy is being developed to set out Swansea Council's approach, and expected to ready for publication, subject to approval, next year.

Alongside the work above, it is vital that we are consistent in our work with partners, in ensuring that invoices for services or work we provide on their behalf are raised in a timely, reliable and realistic way. We notify partners of any changes to social care fees and charges, based on the work on Finance & Charging group, reflecting the actual costs of the commissioned services, which in turn, are based on accurate figures for service usage, and estimates of all the costs are applied.

Effective joint working between SCIFT, Corporate Commercial and Procurement teams and the Social Services Finance officers continues to ensure that all our invoicing and debt recovery processes are working effectively.

## **5.7 Grant Schemes**

For the past two years, Revenues and Benefits Section (which includes Social Care Income and Finance) has been administering a number of grants schemes on behalf of Welsh Government. These schemes include:

- Self Isolation Payments
- Winter Fuel Support (21/22 scheme)
- Unpaid Carer's Grant
- Cost of Living Grant
- Fuel Support (22/23 scheme) – this scheme is currently ongoing until 28/02/23 where thousands of citizens are able to receive a one-off payment of £200 towards their fuel costs

To support residents during the Covid pandemic and the current cost of living crisis, staff have processed a staggering 157,757 applications to date from the citizens of Swansea and have paid out over £28 million in support during the Covid pandemic and cost of living crisis. This is not the final number of applications as two schemes are currently ongoing.

It is as a result of staff generously working a substantial number of overtime hours over the last 2.5 years that the section has not suffered significant work delays and continues to provide a high standard of service on behalf of Social Services.

The current cost of living crisis poses a risk to income collection undertaken by the department on behalf of Social Services as citizens face higher living costs. Also, if further additional work is given to the service (e.g. more Welsh Government grants) or we are unable to maintain staffing resources at current level, then performance may not be as expected.

## 5.8 Other process Improvements made during year

**WCCIS** - the introduction of the Wales Community Care Information System (WCCIS) to Swansea Council has been seen as an opportunity to review our business processes. As well as a more outcomes focused social work assessment and case management review, WCCIS holds information on people receiving a range of services, including:

- Internal Home Care
- Domiciliary Care
- Day Care
- Direct Payments
- Residential and Nursing Care

Swansea's WCCIS system went live in April 2021, supported by skilled business support to ensure that decisions are being made with the most accurate up to date information possible, and early signs are promising. Previously details of which services a person is receiving were held across a number of different systems, with no easy means of collating the information for reporting. We are developing interfaces between Swansea's CCIS and Corporate Abacus systems to streamline a new end to end process, that puts the citizen firmly at the centre and involves closer working between social workers and business support.

Work has continued on strengthening links between social work practitioners and the Social Care Finance Team, to make sure that any changes in care and support plans triggers a new or revised financial assessment and fair charging. This work aims to make sure that Charging policy is fairly applied to all people receiving social services in Swansea, and that there are no individuals in receipt of services without a financial assessment or subject to charging.

The Council has developed a 'provider portal' which care providers can use to provide details of the care they have supplied which ensures payments are made to them rapidly. The portal also supports early scrutiny of payment requests to ensure they are within the required parameters. Work will continue to roll this out to all providers in the city of the coming year.

## **6. Integrated Impact Assessment**

6.1 The current economic situation, as the world continues to respond to the pandemic, remains one of uncertainty, stories of personal and family struggle and public facing agencies responding quickly to each set of circumstances as they arise. This period, with the additional challenges of changes to welfare benefits, universal credit, inflation rises, specifically food, energy and fuel prices, and the costs of Brexit are having a devastating impact on some individuals, families, communities and businesses. Government support to ease these impacts during the pandemic has largely tailed off for businesses, and the fiscal priority again seems to be on reducing the public sector borrowing requirement. Additional investment in Health and Social Care was due to be funded by increases in national insurance, and these changes have been put back. Overall, the financial outlook for all public services in Wales is likely to be extremely challenging over the next decade.

A more detailed analysis is set out in the Council's Medium Term Financial Plan.

6.2 Deprivation is an important consideration when looking at imposing charges on the care and support of our most vulnerable citizens and in support of their carers. The Wales Index of Multiple Deprivation (WIMD) is updated every 4 to 5 years. The most recent index was published in 2019, **17 (11.5%)** of Swansea's 148 LSOAs are in the most deprived 10 per cent in Wales (similar to the overall proportion in 2014). Swansea also has 8 Lower-layer Super Output Areas (LSOAs) in what is termed Deep-Rooted Deprivation; those that have remained within the top 50 most deprived – roughly equal to the top 2.6% – small areas in Wales for the last five publications of WIMD ranks. The current economic situation is likely to have greatest impact in these areas.

6.3 Overall the financial outlook coupled with high demand for social care and population changes mean that the Council continues to apply the Welsh Government's framework for local authority social services charging to ensuring the continued sustainability of our services. Swansea's corporate financial policy on setting charges still sets out an expectation on all services to aim for Full Cost recovery where possible, and to operate within the key principles set out in the Sustainable Swansea programme, and through objectives in the Corporate Plan 2022-23.

### **Actions to be taken:**

- A Full Integrated Impact Assessment to be completed following Council's public consultation on the budget 2023/24, taking place in January.

## **7. Revisions to Council Charging Policy and the List of Charges to apply in 2022/23**

### **7.1 Swansea Council Charging Policy (Social Services)**

The Council's policy and this annual review process, as reflected in this report, aims to ensure that charging, where it occurs, is consistent, fair and clearly understood. Individuals when asked to pay a charge will only be required to pay what they can afford.

The current policy takes into account the principles set out in the charging and financial assessment framework introduced by the Act, and the relevant codes of practice.

Public Information and advice about charging is available on the council website, and leaflet, taking account of individual communication needs, on request. Swansea Council are committed to giving people a stronger voice and real control over the care and support they need, to achieve their own well-being outcomes

#### **Actions to be taken:**

- Social Services Finance and Charging group ensures that up to date public information is available on the new corporate website
- The Charging (social services) policy is reviewed and updated regularly by the Social Services Finance and Charging group to reflect national policy and local guidance.

**7.2 Changes within the List of Charges** as published prior to the start of the financial year should reflect the many inflationary pressures impacting on the social care sector. The costs of providing social care services are subject to inflationary pressures. Significant changes have been made in previous years to ensure that Swansea's charging policy is consistent with most other local authorities in Wales, and that this policy is applied with fairness and equity. Unless Swansea keeps pace with inflationary increase put into place by other Welsh Local Authorities, then the gaps will reappear. Inflation (CPI) currently stands at close to 10%, and it stood at 11.2% in October 2022

The inflation currently stands at 9.2% (January 2023), and it is expected to remain close to 10% for a time. Even though inflation may fall during 2023, many of the household impact items will have already increased in price. The current inflation pressures will remain with their impact on households, providers and services through energy costs, food costs, travel cost, interest rates and higher taxation/national insurance.

These higher running costs added to higher wage bills will continue to impact on the delivery of public services in 2022/23, and disproportionately on adult social care: <https://obr.uk/overview-of-the-november-2022-economic-and-fiscal-outlook/>

#### **Actions to be taken:**

- Proposal to Cabinet, on behalf of the Social Services Finance & Charging group, is to increase all charges by **10%** to apply to all set out in the List of Charges to apply in 2023/23.
- An Integrated Impact Assessment screening has been undertaken, and this proposal is still considered to be low impact on the basis that everyone who is the subject of social services charges is offered a fair financial assessment, and then can expect to be charged within the protection of the thresholds set

under the Welsh Government national charging framework. However, the Council recognises that a 10% uplift to public charges is significant at this time, and a full Integrated Impact Assessment is needed before a decision is taken.

- The Council's public consultation linked to the budget 2023/24 asks the public for their views on the proposal of an inflationary increase to social services charges. The public consultation closes on 31<sup>st</sup> January 2023, and the set of responses will be considered within the full Integrated Impact Assessment.

## 8. Conclusions

In summary Swansea Council's annual review of social services has taken into account the following

- Policy Annual review approach
- Social Services charging framework
- What people are telling us
- Continuous process improvements
- Integrated Impact
- Comparisons with some other Welsh LAs
- Any revisions needed

Within the current context, it is not deemed necessary or appropriate to consult upon making any changes to the current charging policy.

## 9. Recommendations

Cabinet is asked to accept the findings of the annual review of changes, and that there are no new service charges **to apply in 2023/24**.

- A Full Integrated Impact Assessment to be completed following Council's public consultation on the budget 2023/24, taking place in January 2023.
- Subject to the outcome of the full Integrated Impact Assessment to agree that an inflationary increase of **10%** to be applied to all social services charges to come into effect on 1<sup>st</sup> April 2023.
- Cabinet to approve the list of social services charges to apply from 1st April 2023, for the year 2023/24.
- The revised List of social services charges 2023/24 (Appendix 1), once agreed, is appended to the Council's Charging (social services) policy.

## Appendix 1 Swansea Council List of Charges (to apply in 2023/24) v3

These are the amount clients will be charged for social care services, subject to any limits on the maximum charge specified by Welsh Government.

### 1. Residential Care and Support Services (Local Authority)

Council's in-house residential care service delivers a high-quality service for individuals with complex needs, and also offer placements for residential reablement and respite care.

The charges shown below are for the council-run care homes only and are only indicative of the average weekly costs of care and support, as some individuals may have additional needs to be identified and charged accordingly.

All charges for residential care are means tested. Residents may only be required to pay a contribution towards the total weekly cost. In certain circumstances, residents may be required to pay the full cost of residential care.

#### a) Long Term Residential Care (Local Authority)

| Charges for Services<br>by category of care | Weekly<br>2022/23 | charges | in | Weekly<br>2023/24 | charges | in | % Increase/<br>Comment |
|---------------------------------------------|-------------------|---------|----|-------------------|---------|----|------------------------|
| <b>Residential Care</b>                     |                   |         |    |                   |         |    |                        |
| <b>/ Council run only</b>                   |                   |         |    |                   |         |    |                        |
| Elderly Care                                | £643.65           |         |    | £708.02           |         |    | 10%                    |
| Dementia Care                               | £643.65           |         |    | £708.02           |         |    | 10%                    |
| Mental Health                               | £1,686.58         |         |    | £1,855.24         |         |    | 10%                    |
| Learning Disabilities                       | £1,686.58         |         |    | £1,855.24         |         |    | 10%                    |
| Younger Adults                              | £1,686.58         |         |    | £1,855.24         |         |    | 10%                    |

As part of a planned response to the current crisis, Adult Services are currently offering nursing placements within In-House Services.

| Charges for Services<br>by category of care<br>Nursing care/ Council run<br>only | Weekly<br>2022/23 | charges | in | Weekly<br>2023/24 | charges | in | % Increase/<br>Comment |
|----------------------------------------------------------------------------------|-------------------|---------|----|-------------------|---------|----|------------------------|
|----------------------------------------------------------------------------------|-------------------|---------|----|-------------------|---------|----|------------------------|

|        |      |  |  |         |  |  |     |
|--------|------|--|--|---------|--|--|-----|
| Adults | £722 |  |  | £794.20 |  |  | 10% |
|--------|------|--|--|---------|--|--|-----|

The charge (fee) is set at a rate in line with external nursing placement



### b) Short Term Residential Care (Local Authority)

**Note:** Within short term residential care placements, if the long-term destination of the client is known then residential care rates are applied, in circumstance where someone is due to go into long-term care, or community care rates from day 1, such as:

- if they are placed in a temporary bed pending the provision of Domiciliary Care;
- Or, where a social care assessment is required.

Then a 2-week period free of charges are followed by the residential / or community care rates from week 3 onwards, pending a decision on their next placement.

| Charges for Services by category of care                                                       | Weekly charges in 2022/23                          | Weekly charges in 2023/24                          | % Increase/ Comment                                            |
|------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------------------|
| All adults short term residential care: Planned respite – non-residential community care rates | £100                                               | TBC by Welsh Government                            | Continue to reflect Max. weekly charge set by Welsh Government |
| Residential Reablement - up to 6 weeks free                                                    | n/a                                                | n/a                                                |                                                                |
| Step-up / Step-down temporary beds -up to 2 weeks free                                         | Non-residential community rate or residential rate | Non-residential community rate or residential rate | Fees charged based on longer-term care destination             |

### 2. Non-residential, community-based care and support Services

- Domiciliary Care – is care in the client’s home provided by a private sector provider
- Home Care – is care in the client’s home provided by the Local Authority

All charges are means tested up to the maximum standard charge as outlined below

| Charges for Services per category of care                                    | Weekly charges in 2022/23 | Weekly charges in 2023/24 | % Increase/ Comment |
|------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------|
| <b>All adults Non-residential, community-based care and support Services</b> |                           |                           |                     |
| Domiciliary Care or Home Care, including respite at home, supported living   | £19.88 per hour           | £21.87                    | 10%                 |
| Older Persons Day Services                                                   | £46.20 per day            | £50.82                    | 10%                 |
| Day Services Younger Adults /Special Needs Day Services                      | £57.78 /day               | £63.56                    | 10%                 |

### 3. Flat rate charges for other services provided by Swansea Council

These social care charges for Council run services are discretionary, and are **not** subject to a means test, or a maximum weekly charge.

| Charges for Services per category of care                 | Weekly charges in 2022/23                                                                                                        | Weekly charges in 2023/24                                                       | % Increase/<br>Comment                                                                                                                                                                      |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Adult social care charges for Council run services</b> |                                                                                                                                  |                                                                                 |                                                                                                                                                                                             |
| Community Alarms (Lifelines)                              | £150.80 exclusive VAT (four quarterly instalments of £37.70)<br><br>£180.96 inclusive VAT (four quarterly instalments of £45.24) | £165.88 exclusive VAT<br><br>£199 exclusive VAT                                 | 10%<br><br>Fitting charges may be subject to charge, following review of service<br><br><a href="https://www.swansea.gov.uk/communityalarms">https://www.swansea.gov.uk/communityalarms</a> |
| Meals (within community-based, day services)              | £4.05                                                                                                                            | £4.46                                                                           | 10%                                                                                                                                                                                         |
| Court of Protection Deputyship                            | Court of Protection Deputyship charges as set in law by the Ministry of Justice                                                  | Court of Protection Deputyship charges as set in law by the Ministry of Justice |                                                                                                                                                                                             |
| Pre-Deputy support charge                                 | £5 per week                                                                                                                      | £5 per week                                                                     | No change proposed                                                                                                                                                                          |

## APPENDIX 2: COMPARISON WITH OTHER WELSH LOCAL AUTHORITIES

- a) Table showing latest available information about how Swansea's social services charges compare to selected other Welsh Local Authorities. This year due to Covid, information has been collated and updated following a web search for the following service areas:

| Local Authority<br>Social Services<br>Charges in 2022/23      | Home<br>Care<br>(subject to<br>weekly<br>charge)             | Day Care<br>(subject to<br>weekly<br>charge)               | Direct<br>Payments            | Residential Care<br>Long Term /Temp<br>Elderly/ week                                                                | Residential<br>Care<br>Short Term/<br>Respite ( | Telecare/<br>Lifeline<br>(per week)                                                         | Other<br>(per day)                         |
|---------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------------|
| Swansea (2022/23)<br><br><b><u>Updated</u></b>                | £19.88 per<br>hour                                           | £46.20/ day-<br>older people<br><br>£57.78/ day-<br>adults | Variable                      | £643.65- older<br>people<br><br>£1,686.58- learning<br>disability<br><br>£672.59- Nursing                           | £100<br><br>(Max weekly<br>charge<br>applies)   | £45.24 per<br>quarter, incl<br>VAT                                                          | Meal £4.05                                 |
| NPT<br><br><b><u>Updated but no figures<br/>available</u></b> | £16 per<br>hour<br><br><b>subject to<br/>2%<br/>increase</b> | £30 per<br>attendance                                      | Value of<br>direct<br>payment | £572.37 (standard<br>res. Care)<br><br>£767 (Pobl charges<br>to new residents)<br><b>subject to 2%<br/>increase</b> | £100<br><br>(Max weekly<br>charge<br>applies)   | £2.70 (T/c)<br><br>£3.95 (LL)<br><br>£5.70 (LL-<br>Extra) <b>subject<br/>to 2% increase</b> | Meal £4.60                                 |
| Bridgend<br><br><b><u>Updated</u></b>                         | £20.92                                                       | £37.29 / day<br><br>£70.26/ day                            | Variable                      | Remodelling                                                                                                         | £100<br><br>(Max weekly<br>charge<br>applies)   | £6.55/ week<br>(one person in<br>household)                                                 | Meal -<br>£5.66<br><br>Tea/snacks<br>£1.69 |

|                                                 |                                        |                             |                                                        |                                                        |                                     |                                                                                                       |                                        |
|-------------------------------------------------|----------------------------------------|-----------------------------|--------------------------------------------------------|--------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------|----------------------------------------|
| <b>Carmarthenshire</b><br><b><u>Updated</u></b> | £18.00 per hour<br>(community support) | £17.60 per session          | PA rates<br>£13.40 per hour/£110.80 per night          | N/a                                                    | £100<br>(Max weekly charge applies) | £48.75 ,per quarter                                                                                   | Meal £5.35                             |
| <b>Powys</b><br><b><u>Updated</u></b>           | £20.50 per hour                        | £15.00 per day              | £11.41 per hour PA rate<br>£14.47 per Hour agency rate | Residential £659<br>Dementia care £669<br>Nursing £660 | £100<br>(Max weekly charge applies) |                                                                                                       | Meal £7.50                             |
| <b>Pembs</b><br><b><u>Updated</u></b>           | £18.27/ hour                           | Day Opportunities<br>£43.45 | £12.69                                                 | Residential £717.45                                    | £100<br>(Max weekly charge applies) | £2.24- with Disablement Exemption Certificate<br><br>£2.69 -without Disablement Exemption Certificate | Meal- TBC                              |
| <b>RCT</b><br><b><u>Updated</u></b>             | £17.00/ hour                           | £17 per day                 | <b>£10.00 per hour</b>                                 | Determined on individual basis                         | £100<br>(Max weekly charge applies) | £143.98 p.a                                                                                           | Minimum weekly charge = £4.05 per week |

## Appendix B

### Integrated Impact Assessment (IIA) Report

This form should be completed when a screening form has indicated a full Integrated Impact Assessment is required and found to be relevant to Equality Act 2010, Socio-economic Duty and Well-being of Future Generations (Wales) Act 2015

**Please refer to the 'IIA Report Form Guidance' while completing this form. If you need further support, please contact [acesstoservices@swansea.gov.uk](mailto:acesstoservices@swansea.gov.uk).**

#### Which service area and directorate are you from?

Service Area: Adult Services

Directorate: Social Services

#### Q1(a) What are you assessing?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Boards which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

#### (b) Please name and fully describe initiative here:

All local authorities are facing intense financial pressures, and are looking at ways to make sure that every pound of funding is spent wisely and effectively. This means that we need to look at how we are organised, how we resource and provide services to continue to ensure that we provide the highest quality of services possible to meet the care and support needs of our most vulnerable citizens.

We do need to consider how we can make sure that this is done in a sustainable way; how we can meet the social care needs of local people, now and in the future. Charging for social care is a statutory expectation, as part of a sustainable model of social care. All social services residential and non-residential charges are set within a national legislative framework, and in compliance to regulations and code of practice as set by Welsh Governments, namely within Parts 4 and 5 of the Social Services and Well-being (Wales) Act 2014, henceforth 'the Act'.

## Appendix B

Under the Act, citizens to whom the charges apply are protected by some important policy entitlements:

- right to be offered a financial assessment to consider whether they have the means to pay a contribution to the costs of their social care and support
- there are clear principles that a person's ability to pay should not precluding access to care and support or that the charges for care and support should not exceed the costs of provision – there are personal thresholds set by the Welsh Government: namely a maximum weekly charge to be set at £100 per week (2021/22)

This Full IIA report covers both the Annual Review of Charges (Social Services) report, which sets out any changes within Swansea Council's Charging Policy (Social Services), and the proposed List of Charges to be applied in 2022/23.

The main change to take effect from 1<sup>st</sup> April 2023 is that all social services charges are to be increased in line with current inflation and forecasts; this represents an **uplift of 10%**. There are no new charges proposed by this annual review. Clearly though, there are some impacts arising from applying a high inflationary uplift within the Council's charges (on social care) and this report considers the available evidence carefully.

For these charges will be increased by 10%, which will raise the hourly rate for adult social care services in line with current inflation:

For example, Dom Care is currently £19.88 per hour, with the change it would increase to £21.87.

Older Person's Day service is £46.20 per day, it would increase to £50.82.

But the maximum weekly charging and means testing through a financial assessment will still apply as per the current Council policy.

Any individual's charges will still be financially assessed, so based on their own unique circumstances and current income and for non-residential this would be up to the maximum weekly limit set by Welsh Government (currently £100 p/week).

Each service fee is in the charging policy's list of charges to be made available on the Council's public website, if the increase is agreed upon.

**Will this initiative result in any changes needed to the external or internal website?**

Yes       No      **If yes, please provide details below**

**Appendix B**

**(d) It was initially screened for relevance on: 18/01/2023**

**Lead Officer**

**Name:** Simon Jones

**Job title:** Strategic Performance & Improvement Officer

**Date:** 1<sup>st</sup> February 2023

**€Approved by Head of Service**

**Name:** David Howes

**Job title:** Director of Social Services

**Date:** 6<sup>th</sup> February 2023

## Appendix B

### Section 1 – Aims

#### What are the aims of the initiative?

Social Services and Well-being (Wales) Act 2014 (The Act) came into effect in April 2016 setting out the statutory requirements placed on each Local Authority, to publish their discretionary charges for social services.

In working a sustainable approach to social care, Welsh Local Authorities have some discretion in how charges for residential and non-residential and community-based social services can be applied.

Under the Social Services and Well-being (Wales) Act 2014, a local authority can only charge:

- up to the cost of providing the social care service;
- what the person can afford to pay for an assessed for service.

Swansea Council's Charging (social services) policy sets out the arrangements for charging citizens for costs incurred when providing care and support services.

The List of Charges, appended to the policy, details what services are chargeable and the level of charge for the year ahead.

Swansea Council carries out a 'best practice' approach to social services charging by carrying out an annual review of the charges and how they are applied each year.

This Full IIA related to the sixth annual review of social services charging was carried out on behalf of the Social Services Finance and Charging group, chaired by the Director of Social Services, and the recommendations made as part of this review.

Specifically, this Full IIA report concerns non-residential service users of social care services in Swansea, and the review's recommendation relating to **proposed inflationary uplift to all social services charges of 10%**.

#### Who has responsibility?

Director of Social Services  
Cabinet Member- Care Services  
Head of Adult Services

**Adults Services are responsible for the provision of services to the most vulnerable adults in Swansea.**



## **Appendix B**

### Adult Services vision

“People in Swansea will have access to modern health and social care services which enable them to lead fulfilled lives with a sense of wellbeing within supportive families and resilient communities”

### **Who are the other stakeholders?**

- Non-residential service users of social care services (Young people / adults)
- Unpaid carers
- Providers of community-based adult social care services (in-house/ external) including home care, day services, respite care, community alarms
- Staff from partnership organisations/ bodies locally and regionally (Health)

### Within Swansea Council:

- Social Services Finance & Charging group
- Safeguarding People and Tackling Poverty Corporate Delivery Committee
- Cabinet/ Corporate Management Team

### Other stakeholder groups who may need future consideration:

- Advocates
- Swansea Poverty Truth Commission
- Third sector representatives
- Benefits advice and welfare right groups/organisations
- Disability groups

## Appendix B

### Section 2 - Information about Service Users (See guidance)

In order to complete this section you will need to look to data such as Census data, research and performance management information, surveys, future trends, service user data, socio-economic data from recent consultations, engagement and research

|                                           |                                     |                                      |                                     |
|-------------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| Children/young people (0-18) .....        | <input type="checkbox"/>            | Sexual orientation.....              | <input type="checkbox"/>            |
| Older people (50+).....                   | <input checked="" type="checkbox"/> | Gender reassignment.....             | <input type="checkbox"/>            |
| Any other age group .....                 | <input checked="" type="checkbox"/> | Welsh language.....                  | <input type="checkbox"/>            |
| Future generations (yet to be born) ..... | <input checked="" type="checkbox"/> | Poverty/social exclusion .....       | <input checked="" type="checkbox"/> |
| Disability .....                          | <input checked="" type="checkbox"/> | Carers (including young carers)..... | <input checked="" type="checkbox"/> |
| Race (including refugees).....            | <input type="checkbox"/>            | Community cohesion.....              | <input type="checkbox"/>            |
| Asylum seekers .....                      | <input type="checkbox"/>            | Marriage & civil partnership .....   | <input type="checkbox"/>            |
| Gypsies & Travellers.....                 | <input type="checkbox"/>            | Pregnancy and maternity.....         | <input type="checkbox"/>            |
| Religion or (non-)belief .....            | <input type="checkbox"/>            |                                      |                                     |
| Sex .....                                 | <input type="checkbox"/>            |                                      |                                     |

Page 232

**Please provide details of the information you hold in relation to the groups above:**

#### a) General Population

Swansea has the second largest local authority population in Wales and accounts for almost 8% of its total population (3,169,600). Between the last two censuses (held in 2011 and 2021), the population of Swansea fell by 0.2%, from around 239,000 in 2011 to around 238,500 in 2021. This means Swansea was one of seven local authority areas in Wales to see its population decline.

#### b) Demographic changes

Swansea has a population of 140,000 people aged 50 and over. The number of people aged 65 to 74 years rose by just under 3,700 (an increase of 16.6%) between 2011 and 2021. The percentage of Welsh speakers in Swansea remained at 11.2% in 2021.

#### c) Race

In 2021, 10,451 (4.4%) of Swansea residents identified their ethnic group within the "Asian, Asian British or Asian Welsh" category, up from 7,803 (3.3%) in 2011. The 1.1 %-point change was the largest increase among high-level ethnic groups in this area.

The percentage of people who identified their ethnic group within the "Other" category ("Arab" or "Any other ethnic group") increased from 2,380 (1.0%) in 2011 to 3,383 (1.4%) in 2021.

In 2021, 218,052 (91.4%) of people in Swansea identified their ethnic group within the "White" category (compared with 224,697 (94.0%) in 2011), while 1.6% identified their ethnic group within the "Mixed or Multiple" category (compared with 0.9% the previous decade).

## Appendix B

### d) Informal Care

In 2021, 5.0% of Swansea residents (aged five years and over) reported providing up to 19 hours of unpaid care each week. This figure decreased from 7.9% in 2011. In 2021, just under 1 in 40 people (2.3%) reported providing between 20 and 49 hours of unpaid care each week, compared with 2.1% in 2011. The proportion of Swansea residents (aged five years and over) that provided at least 50 hours of weekly unpaid care decreased from 4.0% to 3.8%. These figures suggest that individuals and families' capacity to provide informal care is increasingly under pressure. These pressures within families and communities are only likely to increase due to the cost of living crisis. Swansea's Adult Services are offering more carers assessments to support the wellbeing of carers in their own right.

### e) Poverty

Health and social care, and various other public services play vital roles in supporting people to avoid or overcome poverty and its effects. It is therefore important to ensure that those at greatest risk of poverty and deprivation are able to access them, and any barriers to doing so are addressed. Various data sources referring to various indicators inform us about the current situation, and numerous plans exist at different levels which our strategies will require us to connect with in our work to tackle poverty locally.

The Welsh Index of Multiple Deprivation (WIMD) offers some indicator data which is useful for understanding our current position. WIMD is calculated for all small areas (Lower layer Super Output Areas - LSOAs) in Wales.

Following the 2011 Census, 1,909 LSOAs were defined in Wales (148 in Swansea) and they have an average population of 1,600 people

This index was last updated in 2019, using data which in some cases was then three years old.

In WIMD 2019, 17 (11.5%) of Swansea's 148 LSOAs are in the most deprived 10 per cent in Wales (similar to the overall proportion in 2014)

The Swansea Economic Profile, last updated in February 2016 contains some data relevant for discussing poverty.

The Swansea Poverty Profile completed in April 2014 further examines the local situation, comparing it with other local authorities, with Wales and UK averages and with different points in time.

The 2021 Census published to date also contains some valuable information about household composition and economic activity.

### f) Demand for social Care

Swansea PSB's Local Wellbeing Assessment (2022) reports that generally the demand for Adult Social Care in Swansea is increasing, though the resources available to meet the demand have been under constant pressure.

The main reasons for the increasing or changing demand include:

- Increasing numbers of people as more people live longer,
- Increasing levels of need from people with complex / chronic conditions
- Increasing expectations from people that their needs can be met, particularly by health and social care services
- Immediacy of needs – people have expectations for faster response times
- Carers have their own wellbeing needs and lives

Of the 200,000 (approx.) adults aged 18 and over living in Swansea, the number who received care and support from Swansea Council's Adult Services during the last 3 years were:

- 2020/21 = **6,951**

## Appendix B

- 2019/20 = 6,463
- 2018/19 = 6,434

### g) Charging for social services

It is challenging to report accurately on the number of adults in Swansea who are subject to charging for their social care at a point of time or invoices during a period, as their individual circumstances may change.

The figures on the number of financial assessments carried out show the high number of people in a year who may be subject to charging. In 2021/22, the SCIF team carried out **5,011** financial assessments of social care clients (6,830 financial assessments were undertaken in 2020/21).

Of this number, there were:

- 1,625 assessments of new clients (2,477)
- 3,386 reviews of existing clients (4,353)

### h) Charges for non-residential adult social care

It is challenging to undertake analysis of the number of people who are subject to the maximum weekly charge during the financial year, as people's financial circumstances may change, their care and support package may change, and a sample week is a good indication of impact.

During a sample week (week ending 04/12/22) there were **1085 clients** who have to pay for Council's adult services (non- residential). Out of this group of 1085, **261 clients** were not invoiced for the maximum assessed charge in this sample week (week ending 04/12/22).

Taken from this data, around **25%** of clients who are charged are falling below the weekly charges threshold, that is actually paying less than £100 per week (threshold set by Welsh Government).

It should be noted that Swansea Council only invoices clients for actual services (hours of care) received.

During any period, clients may, based on the actual care they receive, move in and out of the threshold, that is some weeks their care may receive less than the maximum, and other weeks they receive more care to trigger the threshold.

Another caveat is that the Welsh Government has yet to announce the national social services charging allowances and thresholds for 2023/34. If they increase the maximum weekly charge for example, this could significantly alter the number of people who will be paying more, but these people won't necessarily be affected by the inflationary uplift. Proposal as the cost of their cap would remain capped at £100 per week.

It should be noted of the 261 clients, some would have been assessed as needing a package of care which is expected to be at, or over, the maximum weekly charge level. Our analysis of the sample week also noted that of **21 people** have a max charge of £100 but receive actual services totalling 1 hour a week or less, so were invoiced for £19.88 (the current hourly rate).

## Appendix B

Our analysis also showed that within the group of 261 clients, there is a range in relation to what charged and the maximum weekly charge (currently £100). The lowest difference was £0.60p between what they were invoiced for and the threshold charge, whilst the greatest difference was £80.12, that is those people charged only for an hour of adult social care. This group would be impacted by approx. £2 per hour care received, the proposed uplift on the current hourly rate (£19.88).

*Of the 262 clients, % by client group*

| Client Group        | % of Client Group |
|---------------------|-------------------|
| OLDER ADULTS        | 67.83%            |
| LEARNING DISABILITY | 17.88%            |
| YOUNGER ADULTS      | 12.53%            |
| MENTAL HEALTH       | 1.75%             |
| <b>Total</b>        | <b>100.00%</b>    |

### Main References.

ONS (2022) How life has changed in Swansea (Jan 2023): <https://www.ons.gov.uk/visualisations/censusareachanges/W06000011/>

ONS Provision of unpaid care (Jan. 2023): <https://www.ons.gov.uk/datasets/TS039/editions/2021/versions/2>

Welsh Index of Multiple Deprivation (WIMD) analysis of 2017-2019 deprivation: <https://www.gov.wales/analysis-protected-characteristics-area-deprivation-2017-2019>

WIMD – Swansea: <https://www.swansea.gov.uk/wimd2019>

Swansea Public Services Board (May 2022) Assessment of Local Wellbeing 2022: <https://www.swansea.gov.uk/psbassessment2022>

Swansea Council Tackling Poverty Strategy: <https://www.swansea.gov.uk/article/9610/Tackling-Poverty-Strategy>

Swansea Council Prevention Strategy: <https://staffnet.swansea.gov.uk/tacklingpovertystrategy>

### See also Swansea Council’s Annual Review of Social Services Charging 2022/23 (Main report)

Swansea Council’s Charging (social services) policy: <https://staffnet.swansea.gov.uk/socialserviceschargingpolicy>

Under this proposal, the Council would still be working within national guidance which sets out what allowances have to be made and how charges are capped (maximum weekly charge).

It is the Council’s responsibility to implement their own Charging Policy, that fairly takes into account additional costs which a service user may incur as a result of living with a disability or long term health condition.

No changes have been made within these discretionary areas, though there are plans, within Adult Services, to finalise and publish further financial assessment guidance.

The Council would also, as now, continue to support service users to maximise their benefits, including housing benefit and council tax discount, as part of case management and through the financial assessment process.

## Appendix B

**Any actions required, e.g. to fill information gaps (write below and add to action plan)?**

- Finalise and publish financial assessment guidance
- Implement Swansea Council Tackling Poverty strategy
- Implement Swansea Council Prevention strategy
- Finalise Council Debt strategy (work in draft) – work as part of the work programme of the Safeguarding People and Tackling Poverty Corporate Delivery Committee

Appendix B

**Section 3 – Assessing the Impact (See guidance)**

Please consider the possible impact on the different protected characteristics and statutory considerations:

|                         | Potential Impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Positive / Negative/Neutral Impact/Needs further investigation | Prompts<br>(not an exhaustive list)<br>Consider:                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Page 237<br><b>Race</b> | The proposed uplift to charges and Swansea Council’s charging policy will be applied within principles of equality, transparency and fairness to all service users who receive care and support from the Council and who are expected to pay for services, regardless of racial group. The uplift to actual charges could deter some people from accepting care and support, and this could impact differently within particular minority ethnic communities.                                                                                                                                                                                                             | Needs further investigation                                    | Ethnicity<br>Nationality<br>Gypsies / Travellers<br>Language: interpreter provision<br>Refugee / Asylum Seekers<br>Migrants<br>Awareness events<br><a href="#">United Nations Convention on the Elimination of All Forms of Racial Discrimination (UNCERD)</a>                                                                                                                                               |
| <b>Disability</b>       | The proposed uplift to charges and Swansea Council’s charging policy will be applied within principles of equality, transparency and fairness to all service users who receive care and support from the Council and who are expected to pay for services, regardless of disabilities. Our initial analysis shows that some younger adults and people with a learning disability could be impacted depending upon their assessed package of care, whether their chargeable hours of care are under the maximum weekly threshold. Some people with disabilities who receive care packages from the Council may find they are charged or charged more for the same service. | Negative                                                       | Mobility / Dexterity<br>Blind or Visually impaired<br>Deaf or Hearing impaired<br>Mental Health<br>Learning Disabilities<br>Dementia<br>Neurological difference / Autism<br>Access to buildings/ facilities<br>Access to communication methods<br>Dietary requirements<br>Other Long Term Health Conditions<br><a href="#">United Nations Convention on the Rights of Persons with Disabilities (UNCRPD)</a> |

**Appendix B**

|                                   | <p><b>Potential Impacts</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p><b>Positive /<br/>Negative/Neutral<br/>Impact/Needs<br/>further<br/>investigation</b></p> | <p><b>Prompts</b><br/><br/>(not an exhaustive list)<br/><b>Consider:</b></p>                                                                                                                                                                                                                                                |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Carers</b></p>              | <p>The proposed uplift to charges, and charges are applied to the individual receiving social care. There may be, in some cases, a wider social-economic impact on carers and families. It is worth noting that Swansea Council offers carers an assessment of their own wellbeing needs. Also, that supports services available to carers are not subject to charging.</p>                                                                                                              | <p>Neutral</p>                                                                               | <p>Providing unpaid and informal care<br/>A child caring for a disabled parent<br/>An older person caring for a friend who has a mental health issue<br/>A young adult caring for a sibling with substance misuse difficulties<br/>An adult caring for an older relative who is elderly, frail or experiencing dementia</p> |
| <p><b>Sex</b></p> <p>Page 238</p> | <p>The proposed uplift to charges and Swansea Council’s Charging (social services ) policy will apply equally to all service users who receive support from the Council regardless of gender. However, as women are generally more highly represented amongst users of adult social care, and as carers and have lower income, any uplift to charges could have a disproportionate impact on a small number of women whose care received remains under the maximum weekly threshold.</p> | <p>Negative</p>                                                                              | <p>Men / Women<br/>Gender Identity<br/>Childcare<br/>Gender Pay Gap<br/>Domestic abuse<br/><a href="#">United Nations Convention on the Elimination of All Forms of Discrimination against Women (UNCEDAW)</a></p>                                                                                                          |



## Appendix B

|                                                   | Potential Impacts                                                                                                                                                                                                                                                                                                                                                                                                          | Positive / Negative/Neutral Impact/Needs further investigation | Prompts<br>(not an exhaustive list)<br>Consider:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Age</b></p> <p>Page 239</p>                 | <p>The proposed uplift to charges, and Swansea Council's charging policy will be apply within the principles of equality, transparency and fairness to all service users who receive care and support from the Council and who are expected to pay for services, regardless of age.</p> <p>Some older adults who receive care packages from the Council may find they are charged or charged more for the same service</p> | <p>Negative</p>                                                | <p>Older People including citizens with dementia. Could the initiative contribute to the 'age friendly' agenda or improve the experience of getting older in Swansea</p> <p>Children, Young People</p> <p>Cross-generational working offers a wide variety of benefits</p> <p>Working Age People, Young Families</p> <p>Demographics</p> <p>NB: Where children / young people are affected complete the <a href="#">Childrens Rights Checklist</a></p> <p><a href="#">United Nations Convention on the Rights of the Child (UNCRC)</a></p> <p>Caring responsibilities</p> |
| <p><b>Future generations (yet to be born)</b></p> | <p>The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all service users within the statutory guidance set by Welsh Government as outlined. Council discretion is applied only within the limits set by Welsh Government, and as part of a sustainable model of health and social care.</p>                                                                      | <p>Neutral</p>                                                 | <p>We must ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs</p>                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p><b>Religion &amp; Belief</b></p>               | <p>The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all service users who receive support from the Council regardless of religion or belief.</p>                                                                                                                                                                                                              | <p>Neutral</p>                                                 | <p>Faith Communities</p> <p>Non Beliefs</p> <p>Dietary requirements</p> <p>Vegetarianism/Veganism</p> <p>Other philosophical beliefs</p> <p>Dress code/uniforms</p> <p>Religious festivals/activities, agile working</p>                                                                                                                                                                                                                                                                                                                                                  |

## Appendix B

|                                         | Potential Impacts                                                                                                                                                                                                                                                                | Positive / Negative/Neutral Impact/Needs further investigation | Prompts<br>(not an exhaustive list)<br>Consider:                                                                                                                           |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Sexual Orientation</b>               | The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all service users who receive support from the Council regardless of sexual orientation.                                                                           | Neutral                                                        | Gay<br>Lesbian<br>Bi-sexual<br>Heterosexual<br>Terminology<br>Confidentiality about sexuality<br><a href="https://www.stonewall.org.uk/">https://www.stonewall.org.uk/</a> |
| <b>Gender Reassignment</b>              | The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all service users who receive support from the Council regardless of gender / status.                                                                              | Neutral                                                        | A person who proposes to, starts or has changed their gender identity<br>Transgender<br>Appropriate language use, ie, appropriate pronouns                                 |
| <b>Marriage &amp; Civil Partnership</b> | The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all service users who receive support from the Council regardless of marital status                                                                                | Neutral                                                        | Marital status<br>Civil Partnership status                                                                                                                                 |
| <b>Pregnancy &amp; Maternity</b>        | The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all service users who receive support from the Council regardless of whether pregnancy or maternity is a factor. The charges do not apply to children or dependent | Neutral                                                        | Pregnant mothers<br>Those entitled to maternity and paternity leave<br>Foster/Adoption<br>Breastfeeding mothers                                                            |

**Appendix B**

|                              | <p align="center"><b>Potential Impacts</b></p>                                                                                                                                                                                                                | <p align="center"><b>Positive /<br/>Negative/Neutral<br/>Impact/Needs<br/>further<br/>investigation</b></p> | <p align="center"><b>Prompts</b><br/>(not an exhaustive list)<br/><b>Consider:</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Welsh Language</b></p> | <p>The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all service users who receive support from the Council regardless of whether services are provided through the medium of Welsh language.</p> | <p>Neutral</p>                                                                                              | <p>Ensuring equal status of both Welsh and English languages.<br/>                     Availability of and access to services, activities and information.<br/>                     Rights of individuals to ask for WL services.<br/>                     Impact on Welsh speaking communities, including:<br/>                     Positive / negative effects on opportunities to use the WL.<br/>                     Possible changes to number/percentage of Welsh speakers<br/>                     Job opportunities / Staffing changes.<br/>                     Training needs and opportunities<br/>                     Availability of Welsh medium education</p> |

**Appendix B**

|                                             | <p align="center"><b>Potential Impacts</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p align="center"><b>Positive /<br/>Negative/Neutral<br/>Impact/Needs<br/>further<br/>investigation</b></p> | <p align="center"><b>Prompts</b><br/><small>(not an exhaustive list)</small><br/><b>Consider:</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Socio Economic Considerations</b></p> | <p>Income generation can reduce the costs of services to Council taxpayers or to provide care and support to more people in need. Overall, this work contributes towards Swansea Council's Corporate Plan strategic objective to safeguard our most vulnerable citizens. The social care market, as all households and businesses, has been seriously impacted by UK inflation on real wages, energy and fuel costs, and price increases.</p> <p>To ensure that people who are living in less favourable social and economic circumstance , means testing protects this group from increases. Based on a weekly sample, this applied to 75%. However, we estimate 25% of people (based on a sample week) charged for non-residential adult social care services, fall below the threshold for the maximum weekly charge (currently set by Welsh Government at £100, but this may be subject to increase in 2023/24).</p> | <p>Negative</p>                                                                                             | <p>People living in less favourable social and economic circumstances than others in the same society. Disadvantage may be exacerbated by many factors of daily life, not just urban or rural boundaries. The impact on limited incomes are significant but also consideration needs to be given to service accessibility and barriers to participation.</p> <p>'Intersectionality' issues - where identity compounds socio-economic status, e.g., single parents (often women), disabled people, some BAME groups.</p> |
| <p><b>Human Rights</b></p>                  | <p>The proposed uplift to charges and Swansea Council's Charging (social services ) policy will apply equally to all citizens and service users who receive support from the Council.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <p>Neutral</p>                                                                                              | <p>See <a href="#">Human Rights Articles</a>.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

Page 242

## Appendix B

|                                       | Potential Impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Positive / Negative/Neutral Impact/Needs further investigation | Prompts<br>(not an exhaustive list)<br>Consider:                                                                                                                                                                                                                                                              |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Intersectionality</b>              | The wider cost-of-living crisis and inflationary pressures are having a disproportionate impact on those people in receipt of social care their carers and families. We do have to consider how poverty can impact on the wellbeing and care and support needs of the most vulnerable citizens. Swansea Council is working on a corporate debt recovery policy to ensure that a fair and compassionate approach is taken when working with individuals and families who are in arrears through charges. | Negative                                                       | The way in which power structures based on factors such as gender, race, sexuality, disability etc. interact with each other and create inequalities, discrimination and oppression.<br>(the multiple layers of discrimination)                                                                               |
| Page 243<br><b>Community Cohesion</b> | The wider cost-of-living crisis and inflationary pressures are having a disproportionate impact on those people in receipt of social care their carers and families. We do have to consider how poverty can impact on families and the community resilience. Swansea Council provides a range of services to support families and communities and to help manage the wider impacts                                                                                                                      | Negative                                                       | Think about relationship between people from different backgrounds, community tensions, community facilities<br><br><a href="http://gov.wales/topics/people-and-communities/communities/communitycohesion/?lang=en">http://gov.wales/topics/people-and-communities/communities/communitycohesion/?lang=en</a> |
| <b>Other (please state)</b>           | Set alongside this demand for and charging for care and support within the pandemic; how a context of growing demand and rising costs within social care is impacting on the levels of income generated in the period.                                                                                                                                                                                                                                                                                  | Neutral                                                        | Eg, Modern Slavery, Safeguarding, Other Covid effects, Ex-offenders, Veterans, Care Leavers, Substance Abuse, Homeless                                                                                                                                                                                        |

## Appendix B

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Human Rights Act 1998</b> <ul style="list-style-type: none"><li>• Article 2 Right to life</li><li>• Article 3 Freedom from torture and inhuman or degrading treatment</li><li>• Article 4 Freedom from Slavery and forced labour</li><li>• Article 5 Right to liberty and security</li><li>• Article 6 Right to a fair trial</li><li>• Article 7 No punishment without law</li><li>• Article 8 Respect for private life, family, home and correspondence</li><li>• Article 9 Freedom of thought, belief and religion</li></ul> | <ul style="list-style-type: none"><li>• Article 10 Freedom of expression</li><li>• Article 11 Freedom of Assembly and association</li><li>• Article 12 Right to marry and start a family</li><li>• Article 13 Right to access effective remedy if rights are violated</li><li>• Article 14 Protection from discrimination</li><li>• Protocol 1, Article 1: Right to a peaceful enjoyment of your property</li><li>• Protocol 1, Article 2: Right to education</li><li>• Protocol 1, Article 3: Right to participate in free elections</li><li>• Protocol 13, Article 1: Abolition of the death penalty</li></ul> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### **If you have identified any areas which need further investigation, these will need to be added to your action plan**

At present we estimate that roughly 25% of people (based on a sample week) are charged for non-residential adult social care services, and fall below the threshold for the maximum weekly charge (currently set by Welsh Government at £100, but this may be subject to increase in 2023/24).

We need to routinely monitor the number of clients within this cohort, and to profile against local population data and type of service received, as well as protected characteristics, such as race, gender.

Swansea Council continues to undertake an annual review of social services charges, as set out under Part 5 of the Social Services and Well-being (Wales) Act

Our review process will continue to develop and improve its methodology to take into account the following areas:

- Statutory considerations- any changes to national policy
- How Current charging policy is working in practice
- Improvements made this year. Changes planned
- Opportunities for any new charges
- What people are telling us
- How Swansea's list of charges compares to other Welsh Local Authorities
- Integrated Impact assessment

## Appendix B

### Section 4 - Involvement

Please consider all of your involvement activities here, e.g. participation, consultation, engagement, co-productive approaches, etc.

Swansea Council carried out a public consultation of the budget proposals for 2023/24 in January 2023:

[Council Budget Consultation - Staff portal \(swansea.gov.uk\)](https://www.swansea.gov.uk/council-budget-consultation-staff-portal)

Among those seeking a public response is the following **Proposal**:

This proposed principle to increase charges in line with increased inflation costs or to ensure we recover all cost of providing our services would also apply to charges to Social Care Services. Our Social Services Charging Policy has been produced in accordance with the legal requirements set out in The Social Services and Well-being (Wales) Act 2014 ("the Act") and sets out Swansea Council's position on charging for social care. It is proposed that where services are currently charged, these charges will be increased by only 10%. Maximum charging and means testing will still apply as per the current policy. Details of the policy and list of charges current applied can be found here.

If you need any further information in relation to the proposed increase in charges for social care please contact us on the details below:

Email: [SWInbox@swansea.gov.uk](mailto:SWInbox@swansea.gov.uk)

Tel: 01792 636322

#### **What involvement has been undertaken to support your view? How did you ensure this was accessible to all?**

As part of the wider budget consultation, we set up a specific helpline and telephone number which operated Monday to Friday 9 – 5 throughout January 2023 and a generic inbox for queries 01792 636322 & email : [SWInbox@swansea.gov.uk](mailto:SWInbox@swansea.gov.uk)

We also contacted all clients who would be impacted by the proposed 10% increase via letter, a total of 5829 letters were sent, 2480 to those who have a lifeline and 2359 who receive a service provision and offered them the opportunity to input into the general budget survey or contact us via phone or email.

#### **What did your involvement activities tell you? What feedback have you received?**

**In response to letter sent to all services users subject to charging (Adult Services)** - we received a total of 149 calls and 11 email inquiries. Feedback specifically about the budget consultation was fed directly into the main budget survey. We had some general queries too which were able to be answered via the helpline. All staff and managers provided with a briefing note including consultation, what it meant, and how to help clients take part. This was also provided to front doors and Corporate Complaints team. Weekly mentions in the social services directors briefing to all staff (including wider Child and Family and Commissioning Staff) and links to the survey. Response to one media enquiry on the budget generally. Corporate communications promoted the overall budget consultation – with item on Staffnet (January 2022); Press Release and public website story January 2022

**In response to Council's public consultation on proposed budget 2023-24, we received a total of 440 responses.**

**In respect of the above proposal:**

**Do you currently pay for Social Care Services?**

**28 (6.6%) Yes**

**397 (93.4%) No**

## Appendix B

**Would you prefer to pay more for those services rather than see a reduced level of service?**

185 (54.4%)      Yes  
155 (45.6%)      No

**Are there any comments you would like to make about how this will affect you?**

86 (100.0%)

A thematic analysis of the 86 comments is shown in the following table, with some consideration:

| <b>Theme</b>                  | <b>Count</b> | <b>Consideration</b>                                                                                                                            |
|-------------------------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Ability to pay                | 21           | Main concern, though currently addressed by financial assessment offer and nationally set, weekly charge thresholds                             |
| Unfairness of national system | 20           | Out of scope of this review.                                                                                                                    |
| Efficiency                    | 15           | Some comments question the value for money in terms of service received e.g. home care                                                          |
| Support for 10% uplift        | 9            | Some people supporting proposal, but mindful of the ability to pay of some, vulnerable people                                                   |
| Council strategy              | 6            | Some challenge to Corporate priorities, though safeguarding vulnerable people remains a corporate priority                                      |
| Challenge 10% uplift          | 5            | Some questioning whether a blanket approach to all services is fair and whether 10% is a fair reflection of inflation against benefit increases |
| Other                         | 4            | Should there be a regional approach to social care/ social care charging?                                                                       |
| Not a service user            | 3            | -                                                                                                                                               |
| No comment                    | 3            | -                                                                                                                                               |
| <b>Grand Total</b>            | <b>86</b>    |                                                                                                                                                 |



## **Appendix B**

### **How have you changed your initiative as a result?**

No, whilst it is acknowledged that a number of respondents are not in favour of the proposed uplift, and that many have commented on the proposals, the uplift to charges is still seen, by the majority (**54%**) of respondents, as an important determinant of a sustainable future model of social care, one that reflects the value and costs of social care, and a sustainable future model to ensure services for the most vulnerable in the community, it is considered, on balance, that it is appropriate to recommend that the proposal be adopted and to work with those people affected by the proposal to support them to manage the impact.

Many of the respondents comment on how overall health and social care system, the national charging framework and how the Council is working for individual citizens and society in general. Most of comments concern whether those most vulnerable people have the ability to pay any increased charges, when they are more likely to be receiving welfare benefits.

### **Any actions required (e.g. further engagement activities, mitigation to address any adverse impact, etc.)? (Add to action plan)**

No, following the consultation, there are no identified changes to the initial proposal and all mitigation actions identified above remain in place. In addition, people who need/request additional support to understand and adapt to any changes would be able, in the first instance, to make a request for an updated Financial Assessment from the Councils Social Care Income and Finance (SCIF) Team. The Councils Financial Assessment Officers are experienced in understanding an individual's unique circumstances, to apply the agreed allowances, assessing disability related expenditure and supporting with accessing benefits advice. In certain circumstances, where someone needed more help to understand the changes, the Financial Assessment Officers can work with social workers and welfare rights officers to help maximise a client's benefits.

Appendix B

**Section 5 – Duties** (please see guidance)

Please consider how the initiative might address the following issues. How will the initiative impact on the duties set out below? Think about what work you have already done to improve the outcomes.

| <b>Public Sector Duty – how will the initiative address the below?</b>                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Foster good relations between different groups                                                                                                | By working in partnership, promoting accessible services, sound professional practice through collaborative communication and the safe and secure sharing of information, we can continue to have our eyes and ears open to the experiences of those either using or working in the social care sector.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Elimination of discrimination, harassment and victimisation                                                                                   | In Swansea, our corporate priority is safeguarding our most vulnerable people and building resilient communities. The Council is concerned about the human rights of each and every citizen, and the need to safeguard and protect the rights of people in need of health and social, care and support. Swansea promotes safeguarding as “everyone’s business”, seeking out occurrences of abuse or neglect of vulnerable adults, and children at risk are noticed at an early stage- accessing our early intervention and preventative approaches.                                                                                                                                                                                                                                                                                                                                                                                               |
| Advance equality of opportunity between different groups                                                                                      | By working collaboratively, we can continue to improve our service offers and pathways for citizens to ensure all individuals in need of social care can give timely and proportionate responses, and support to access the help they may need through ‘What Matters’ conversations that are concerned with their unique circumstances, and the outcome they hope to achieve. Also, applying a set of clear values and principles across all social services.<br>Adult Services’ mission statement is: <ul style="list-style-type: none"> <li>– We will help people to keep safe and protected from harm and give opportunities to exercise voice, choice and control in all aspects of their lives.</li> <li>– Our services will focus on prevention, early intervention and enablement and we will deliver better support for people making best use of the resources available supported by our highly skilled and valued workforce</li> </ul> |
| <b>Socio-economic Duty - Describe any issues identified as a result of the initiative for those people experiencing and living in poverty</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| a) Communities of place                                                                                                                       | Whilst the overall aim of the duty is to deliver better outcomes for those who experience socio-economic disadvantage, Swansea Council is implementing the national social services charging framework and responding to the unprecedented cost of living crisis. Our statutory duty remains to safeguard the most vulnerable people in our communities, and to ensure that care and support is available to people in need.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

## Appendix B

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| b) Communities of interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The Council recognises the impact that poverty has on individuals and families and provides a range of Tackling Poverty and Prevention services, closely aligned to social services so that they can be targeted to those groups where there is clear evidence of disadvantage, and eligible need.                                     |
| <b>How does your proposal ensure that you are working in line with the requirements of the Welsh Language Standards (Welsh Language Measure (Wales) 2011)? (beyond providing services bilingually)</b>                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                        |
| a) To ensure the Welsh language is not treated less favourably than the English language                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Swansea Council Social Services is delivered in line with the Welsh Language standards, and working towards the objectives set by the Mwy Na Geiriau framework for Health and Social Care, in particularly promoting the active offer, continuously improving the quality of our services and through a Workforce development strategy |
| b) That every opportunity is taken to promote the Welsh language                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | As above                                                                                                                                                                                                                                                                                                                               |
| c) Increase opportunities to use and learn the language in the community                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | As above                                                                                                                                                                                                                                                                                                                               |
| <b>United Nations Convention on the Rights of the Child (UNCRC): Many initiatives have an indirect impact on children and you need to consider whether the impact is positive or negative in relation to both children's rights and their best interests</b>                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                        |
| <b>Will the initiative have any impact (direct or indirect) on children and young people (think about this age group holistically e.g. disabled children, those living in poverty or from BME communities)?</b>                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                        |
| It is not anticipated that there will be an impact on children and young people, their wellbeing, their life opportunities or outcomes.                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                        |
| <p><b>All initiatives must be designed / planned in the best interests of children and young people.</b><br/> <i>Best interests of the child (Article 3): The best interests of children must be the primary concern in making decisions that may affect them. All adults should do what is best for children. When adults make decisions, they should think about how their decisions will affect children. This particularly applies to budget, policy and law makers.</i></p> <p><b>Please explain how you meet this requirement:</b></p> |                                                                                                                                                                                                                                                                                                                                        |
| <p>This proposal affects clients within Adult Services in receipt of community-based services. Swansea Council supports the Welsh Government's current position that child and family services, including services to disabled children and support to carers and young carers are not chargeable.</p> <p>Also that currently the range of preventative services available to children, families and adults are not currently chargeable.</p>                                                                                                |                                                                                                                                                                                                                                                                                                                                        |

## Appendix B

### Section 6 - Sustainable Development

The Well-being of Future Generations Act (Wales) 2015 places a well-being duty on Swansea Council to carry out sustainable development. This is in line with the Council's Sustainable Development Policy and our Corporate Plan's Well-being Objectives. We must work in a way that improves the economic, social, environmental and cultural well-being of Wales, by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals.

The sustainable development principle means we must act in a manner, which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. We do this by applying the five ways of working.

#### 6a) The Sustainable Development Principle's Ways of Working

| The Five Ways of Working                                                                                                                                                   | Examples or summary of how applied                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Long term</b> - The importance of balancing short-term needs while safeguarding the ability to also meet long-term needs                                                | The proposal is aligned to statutory requirements under the Social Services and Wellbeing (Wales) Act 2014, and towards achieving a sustainable model of social care. By ensuring that high quality services are available to meet the growing demand for social care, and the needs of an ageing local population.                                           |
| <b>Prevention</b> - Acting to prevent problems occurring or getting worse                                                                                                  | By implementing the national charging framework for social services, the Welsh Government intended that the Act would be cost neutral, and furthermore that by implementing social care charges would help offset the rebalancing of social care away from traditional building-based services and moving the whole systems towards prevention and wellbeing. |
| <b>Integration</b> -Considering impacts upon each of the well-being goals, well-being objectives, local well-being objectives, or on the objectives of other public bodies | Our focus in Adult Services remains on prevention and early intervention, increasingly within an integrated, whole health and social care system, supported by the West Glamorgan Regional Partnership Board's transformation programme and Area Plan.                                                                                                        |

## Appendix B

|                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Collaboration</b> - Acting together with other services or external organisation towards our well-being objectives</p>                                                         | <p>Swansea Council aims to supporting vulnerable people with increasingly complex needs in their own homes within their own communities and towards achieving their own wellbeing outcome by collaborating with health and third sector partners locally and regionally.</p>                                                                                                                                                                                                                                                                               |
| <p><b>Involvement</b> - Involving people with an interest in achieving the well-being goals (everybody), and ensuring that those people reflect the diversity of the area served</p> | <p>Citizens are supported, to anticipate and manage their own care and support needs, through a collaborative, person centred planning, best interest processes carried out with family, carers or advocates.</p> <p>Collaborative communication and the ‘What Matters conversation’ are central as a social work practice approach within adult social care in Swansea, with the focus on improving wellbeing outcomes for citizens.</p> <p>Coproduction with service users and carers is central to service development and commissioning processes.</p> |

### 6b) Contribution to Swansea Council’s Well-being Objectives

| Our Corporate Plan’s Well-being objectives                             | Are directly supported by this initiative | Are not directly impacted by this initiative | May be in conflict or adversely impacted by this initiative |
|------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|-------------------------------------------------------------|
| Safeguarding People from harm                                          | <input checked="" type="checkbox"/>       | <input type="checkbox"/>                     | <input type="checkbox"/>                                    |
| Improving Education and Skills                                         | <input type="checkbox"/>                  | <input checked="" type="checkbox"/>          | <input type="checkbox"/>                                    |
| Tackling Poverty                                                       | <input checked="" type="checkbox"/>       | <input type="checkbox"/>                     | <input type="checkbox"/>                                    |
| Transforming our economy and infrastructure                            | <input type="checkbox"/>                  | <input checked="" type="checkbox"/>          | <input type="checkbox"/>                                    |
| Maintaining and enhancing Swansea’s natural resources and biodiversity | <input type="checkbox"/>                  | <input checked="" type="checkbox"/>          | <input type="checkbox"/>                                    |
| Transformation and Future Council development                          | <input checked="" type="checkbox"/>       | <input type="checkbox"/>                     | <input type="checkbox"/>                                    |

**6c) Thinking about your answers above, does the initiative support our Corporate Plan’s Well-being Objectives when considered together?**

## **Appendix B**

**Please consider the positives and negatives as a whole. This is an opportunity to analyse the global impact of the proposal where some objectives will be advanced whilst others may be impacted. Where there is a residual negative impact for one or more objectives please show that we have considered mitigation to ensure that negative impacts are lessened. Please detail any conflicts gaps and mitigation measures.**

**Appendix B**

**6d) How is contribution to the National Well-being Goals maximised? Where can you add value? Consider the full goal description not just the title.** Consider relevant [Journey Checkers](#). Complete the table below

| Well-being Goal<br>(click to view definition)                                                                                                                                                                                                                                                                                                                                                                                                                                     | Primary Goals - tick if key         | Any significant positive and/or negative impacts/contributions considered/mitigated                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><a href="#">A Prosperous Wales</a>: An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work</p> | <input checked="" type="checkbox"/> | <p>The Welsh Government has developed the statutory framework for social care charging aimed at reducing the financial burden on individuals associated with current charging arrangements with the introduction of a maximum charge for non-residential care services. Swansea Council's approach to charging is integral to how we approach procurement and commissioning by ensuring fairness and transparency within the broader social care market. The proposal also supports the Council's budget principle of 'full cost recovery', and the corporate priority of safeguarding our most vulnerable people. Swansea's social services is working with Health partners towards net zero carbon targets, and achievement of progress is more likely as more people are supported within their own homes, within their local communities by a skilled, professional and local social care workforce.</p> |
| <p><a href="#">A Resilient Wales</a>: A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).</p>                                                                                                                                                                                                    | <input checked="" type="checkbox"/> | <p>The proposal on charging supports a vision of a longer term, sustainable model of social care in Swansea focused on improving the well-being outcome of the most vulnerable people in our communities, achieved through high quality services and a skilled, motivated workforce. Swansea Council is also concerned with the building of resilient communities who can support each other, through a collective, shared sense of health and wellbeing, and improving the environment.</p>                                                                                                                                                                                                                                                                                                                                                                                                                 |

Page 253

## Appendix B

|                                                                                                                                                                                                                                                                                 |                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><a href="#">A Healthier Wales</a><br/>A society in which people’s physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.</p>                                                                             | <input checked="" type="checkbox"/> | <p>The four themes of the Quadruple Aim, within A Healthier Wales – the Welsh Government plan for health and social care are:</p> <ul style="list-style-type: none"> <li>· Improved population health and wellbeing;</li> <li>· Better quality and more accessible health and social care services;</li> <li>· Higher value health and social care; and</li> <li>· A motivated and sustainable health and social care workforce</li> </ul> <p>Swansea Council’s Adult Services has a transformation programme, supported by a regional work programme to deliver on these aims, and to modernise social care and to improve citizen’s experience of how their health and care needs are met. The future funding of social care and the resources available to meet demand remain the key areas of debate in Wales and the UK. Charging is likely to remain an important lever in meeting increasing demand for social care, with better quality and available resources.</p> |
| <p><a href="#">A More Equal Wales</a><br/>A society that enables people to fulfil their potential no matter what their background or circumstances.</p>                                                                                                                         | <input checked="" type="checkbox"/> | <p>This proposal presents an approach to charging that will be equitable, fair and transparent. Services and support will deliver the same high quality of care, and achieve more equal health and wellbeing outcomes, for everyone in Swansea.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><a href="#">A Wales of Cohesive Communities</a><br/>Attractive, viable, safe and well-connected communities.</p>                                                                                                                                                             | <input checked="" type="checkbox"/> | <p>This will need to be an ongoing conversation with citizens, communities and the local population about how best their care and support needs can be met, and through coproduction helping to shape the future model of adult social care.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><a href="#">A Wales of Vibrant Culture &amp; Thriving Welsh Language</a><br/>A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, sports and recreation.</p>                               | <input checked="" type="checkbox"/> | <p>The proposal supports Swansea Council’s Adult Service model which meeting Welsh Language standards through an active offer, focus on using Welsh language to improve the quality of service provision, building on the standards of the Mwy na Geiriau (More than Just Words) framework, so that more people can communicate in their language of choice.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><a href="#">A Globally Responsible Wales</a><br/>A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.</p> | <input checked="" type="checkbox"/> | <p>The focus on how charges support improvement in quality and value of social care provision in safeguarding our most vulnerable within a sustainable model are internationally recognised concepts, supported by global learning, and professional communities.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |



## Appendix B

### Section 7 - Cumulative Impact/Mitigation

**What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the IIA and any other key decisions affecting similar groups/ service users made by the organisation?**

It is not anticipated that this proposal will adversely impact people and communities, as there are strong and established processes, set both nationally and locally in place to mitigate such impacts, as outlined.

Further action is needed to ensure that the mitigating actions are delivered as expected, and to monitor further clients and groups who are being charged for non-residential social care services.

#### **Any mitigation needed:**

It is important that you record the mitigating actions you will take in developing your final initiative.

Record here what measures or changes you will introduce to the initiative in the final draft, which could:

- reduce or remove any unlawful or negative impact/ disadvantage
- improve equality of opportunity/introduce positive change
- support the Well-being of Future Generations Act (Wales) 2015
- reduce inequalities of outcome resulting from socio-economic disadvantage

Page 255

| <b>Unlawful or Negative Impact Identified</b>                                                                                                                                                                                                                                                               | <b>Mitigation / Positive Actions Taken in the initiative (add to action plan)</b>                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Negative impact identified as women are generally more highly represented amongst users of adult social care, and as carers and have lower income, any uplift to charges could have a disproportionate impact on a small number of women whose care received remains under the maximum weekly threshold.    | Profile local population subject of non- residential charging for protected characteristics<br>Monitor clients falling below the threshold for the maximum weekly charge based on actuals                           |
| Negative impact identified as some older adults who receive care packages from the Council may find they are charged or charged more for the same service                                                                                                                                                   | Monitor clients falling below the threshold for the maximum weekly charge based on actuals                                                                                                                          |
| Negative socio-economic impact identified as we estimate 25% of people (based on a sample week) charged for non-residential adult social care services, fall below the threshold for the maximum weekly charge (currently set by Welsh Government at £100, but this may be subject to increase in 2023/24). | Close liaison with Welsh Government to understand impact and mitigation needed if the maximum weekly charge increased<br>Monitor clients falling below the threshold for the maximum weekly charge based on actuals |

## Appendix B

|                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Negative impact identified as the wider cost-of-living crisis and inflationary pressures are having a disproportionate impact on those people in receipt of social care their carers and families. We do have to consider how poverty can impact on the wellbeing and care and support needs of the most vulnerable citizens.</p>                                                              | <p>Finalised corporate debt recovery policy to ensure that a fair and compassionate approach is taken when working with individuals and families who are in arrears through charges.</p> <p>Ensure policy is understood, implemented and adhered to, to mitigate this impact</p> |
| <p>Negative impact identified as cost-of-living crisis and inflationary pressures are having a disproportionate impact on those people in receipt of social care their carers and families. We do have to consider how poverty can impact on families and the community resilience and cohesion.</p>                                                                                              | <p>Continue to provide a range of services to support families and communities and to help manage the wider impacts.</p> <p>Ensure these are promoted and made available for all through implementation of Swansea Council Tackling Poverty strategy</p>                         |
| <p>Negative impact to service users who receive care and support from the Council and who are expected to pay for services, regardless of disabilities. Initial analysis shows that some younger adults and people with a learning disability could be impacted depending upon their assessed package of care, whether their chargeable hours of care are under the maximum weekly threshold.</p> | <p>Monitor clients falling below the threshold for the maximum weekly charge based on actuals</p> <p>Monitor clients with disabilities who receive care packages from the Council to identify if they are charged or charged more for the same service.</p>                      |

## Section 8 - Monitoring arrangements: The IIA process is an ongoing one that does not end when the initiative is agreed and implemented. Please outline the monitoring arrangements and/or any additional data collection that will help you monitor any equality impacts, risks, sustainability of your initiative once implemented:

### Monitoring arrangements:

Adult Services to monitor the number of clients who are assessed at above maximum weekly charges and yet are falling below the threshold for the maximum weekly charge (based on actuals), and type of service received, and to develop reporting to profile this cohort against local population data, as well as protected characteristics, such as age, race and gender.

### Actions (add to action plan):

- Monitor clients falling below the threshold for the maximum weekly charge based on actuals
- Profile local population subject of non-residential charging for protected characteristics
- Monitoring population impact as part of the annual review of charging.

## Appendix B

### Section 9 – Outcomes:

Having completed sections 1-8, please indicate which of the outcomes listed below applies to your initiative (refer to the guidance for further information on this section).

Outcome 1: Continue the initiative – no concern

Outcome 2: Adjust the initiative – low level of concern

Outcome 3: Justify the initiative – moderate level of concern

Outcome 4: Stop and refer the initiative – high level of concern.

### Section 10 - Publication arrangements:

On completion, please follow this 3-step procedure:

1. Send this IIA report and action plan to the Access to Services Team for feedback and approval – [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)
2. Make any necessary amendments/additions.
3. Provide the final version of this report to the team for publication, including email approval of the IIA from your Head of Service. The IIA will be published on the Council's website - this is a legal requirement.

## Appendix B

**Action Plan:** Please outline below any actions identified throughout the assessment or any additional data collection that will help you monitor your initiative once it is implemented:

| Action                                                                                     | Dates                | Timeframe                                                              | Lead responsibility                                                   | Progress       | Add to Service Plan                  |
|--------------------------------------------------------------------------------------------|----------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------|----------------|--------------------------------------|
| Finalise and publish financial assessment guidance                                         | <b>December 2023</b> | <b>As supplement to Council's Charging policy</b>                      | Head of Adult Services                                                | In development | Adult Services 2023/24               |
| Implement Swansea Council Tackling Poverty strategy                                        | <b>March 2024</b>    | <b>As strategy</b>                                                     | Head of Adult Services                                                |                | Tackling Poverty Services 2023/24    |
| Implement Swansea Council Prevention strategy                                              | <b>March 2024</b>    | <b>As strategy</b>                                                     | Head of Adult Services                                                |                | Tackling Poverty Services 2023/24    |
| Finalise Council Debt strategy (work in draft)                                             | <b>December 2023</b> | <b>As part of current work programme</b>                               | Safeguarding People and Tackling Poverty Corporate Delivery Committee | In development | Tackling Poverty Services 2023/24    |
| Monitor clients falling below the threshold for the maximum weekly charge based on actuals | <b>December 2023</b> | <b>To develop reporting systems</b>                                    | Adult Services Senior Management team                                 |                | Adult Services 2023/24               |
| Profile local population subject of non-residential charging for protected characteristics | <b>December 2023</b> | <b>Data to inform local population assessment and targeted support</b> | Adult Services Senior Management Team                                 |                | Adult Services 2023/24               |
| To review and update the Councils' process for annual review of social services charges    | <b>December 2023</b> | <b>Ahead of next annual review of social services charges</b>          | Commissioning Lead/ Corporate lead                                    |                | Commissioning & Partnerships 2023/24 |

\* Please remember to be 'SMART' when completing your action plan (Specific, Measurable, Attainable, Relevant, Timely).

# Agenda Item 15.



## Report of the Local Authority Governor Appointment Group

Cabinet – 16 February 2023

### Local Authority Governor Appointments

|                                    |                                                                                                                                                                         |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>                    | To approve the nominations submitted to fill Local Authority Governor vacancies in School Governing Bodies                                                              |
| <b>Policy Framework:</b>           | Local Authority (LA) Governor Appointments Procedure (Adopted by Council on 26 October 2017)                                                                            |
| <b>Consultation:</b>               | Access to Services, Finance, Legal                                                                                                                                      |
| <b>Recommendation(s):</b>          | It is recommended that:<br><br>1) The nominations recommended by the Director of Education in conjunction with the Cabinet Member for Education & Learning be approved. |
| <b>Report Author:</b>              | Gemma Wynne                                                                                                                                                             |
| <b>Finance Officer:</b>            | Aimee Dyer                                                                                                                                                              |
| <b>Legal Officers:</b>             | Stephanie Williams                                                                                                                                                      |
| <b>Access to Services Officer:</b> | Catherine Window                                                                                                                                                        |

#### 1.0 The nominations referred for approval

1.1 The nominations are recommended for approval as follows:

|                             |                                     |
|-----------------------------|-------------------------------------|
| 1. Clydach Primary School   | Mr Morrison Frew<br>Mrs Sarah Hooke |
| 2. Danygraig Primary School | Mrs Alison Jones                    |
| 3. YGG Pontybrenin          | Mr Alun Millington                  |

#### 2.0 Financial Implications

2.1 There are no financial implications for the appointments; all costs will be met from existing budgets.

### **3.0 Legal Implications**

3.1 There are no legal implications associated with this report.

### **4.0 Integrated Assessment Implications**

4.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

4.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

4.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

4.2 Following the completion of the IIA process it has been identified there are no negative impacts and a full IIA is not required.

4.3 There is no need for mitigation as impacts that have been identified are not negative impacts. The panel choose Governors, no public consultation is required. In order for schools to run effectively they need to have effective Governing Bodies, this appointment supports this.

**Background papers:** None

**Appendices:**

Appendix A - Integrated Impact Assessment Form

# Integrated Impact Assessment Screening Form – Appendix A

Please ensure that you refer to the Screening Form Guidance while completing this form.

## Which service area and directorate are you from?

Service Area: Achievement and Partnership

Directorate: Education

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

### (b) Please name and fully describe initiative here:

Appointing Local Authority governors to schools in Swansea

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

|                                     | High Impact                         |                          | Medium Impact            |                          | Low Impact                          |                          | Needs further investigation |
|-------------------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|
|                                     | +                                   | -                        | +                        | -                        | +                                   | -                        |                             |
| Children/young people (0-18)        | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Older people (50+)                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Any other age group                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Future Generations (yet to be born) | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Disability                          | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Race (including refugees)           | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Asylum seekers                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Gypsies & travellers                | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Religion or (non-)belief            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Sex                                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Sexual Orientation                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Gender reassignment                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Welsh Language                      | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Poverty/social exclusion            | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Carers (inc. young carers)          | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Community cohesion                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Marriage & civil partnership        | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Pregnancy and maternity             | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |

## Integrated Impact Assessment Screening Form – Appendix A

- Q3** What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?  
Please provide details below – either of your activities or your reasons for not undertaking involvement

This activity does not require consultation

- Q4** Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?  
Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
Yes  No
- c) Does the initiative apply each of the five ways of working?  
Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
Yes  No

- 
- Q5** What is the potential risk of the initiative? (*Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...*)

High risk

Medium risk

Low risk

- 
- Q6** Will this initiative have an impact (however minor) on any other Council service?

Yes  No If yes, please provide details below

- 
- Q7** What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?  
(*You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.*)

In order for schools to run effectively they need to have effective Governing Bodies.



# Integrated Impact Assessment Screening Form – Appendix A

## Outcome of Screening

**Q8 Please describe the outcome of your screening below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

We have identified high impact on children and young people because it is in school environment and Governors are appointed to those school. Race, Religion and Welsh language have been also identified as high impact because we have some religious and welsh language schools. There is no need for mitigation as impacts that have been identified are not negative impacts The panel choose Governors ,no public consultation required. In order for schools to run effectively they need to have effective Governing Bodies, this appointment supports this..

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                      |
|------------------------------------------------------|
| <b>Screening completed by:</b>                       |
| <b>Name: Gemma Wynne</b>                             |
| <b>Job title: Governor Support Officer</b>           |
| <b>Date: 22/08/22</b>                                |
| <b>Approval by Head of Service:</b>                  |
| <b>Name: Rhodri Jones</b>                            |
| <b>Position: Head of Achievement and Partnership</b> |
| <b>Date: 22/08/22</b>                                |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)

# Agenda Item 16.



## Report of the Cabinet Member for Economy, Finance and Strategy

Cabinet –16 February 2023

### Cost of Living Support Scheme – Additional Discretionary Scheme Categories

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>           | To consider additional discretionary powers available to the Authority under the Welsh Government's Cost of Living Support Scheme to provide financial support to householders considered to be in need of assistance with living costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Policy Framework:</b>  | Tackling Poverty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Consultation:</b>      | Access to Services, Finance, Legal, Social Services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Recommendation(s):</b> | It is recommended that:<br><br><ol style="list-style-type: none"><li>1) The details of the mandatory scheme set out in this report are noted and further that they have already been implemented.</li><li>2) The details of the discretionary powers relating to the Cost-of-Living Support Scheme are also noted.</li><li>3) The details of the current discretionary scheme previously approved by cabinet on 21<sup>st</sup> April 2022, and which have already been implemented, are noted.</li><li>4) Any taxpayers who have been identified as eligible for a payment under the current discretionary scheme but have not registered for that payment as required by Sunday 19<sup>th</sup> February, will have any remaining discretionary sums they are eligible for paid directly to their Council Tax account.</li><li>5) The following categories and amounts are approved as additional discretionary payments to be made under the Cost-of-Living Support Scheme:<br/><br/><ol style="list-style-type: none"><li>a) £150 will be paid to the Council Tax account of taxpayers not eligible for the main scheme Cost-of-Living Support Scheme who,</li></ol></li></ol> |

as at 15/2/22, were entitled to a Council Tax disregard awarded in respect of:

- An adult with a Severe Mental Impairment (SMI) resident in their property.
  - A carer for another adult resident in the property, the other cared for adult living in the property not being their partner.
- b) £150 will be paid to the rent account of Council tenants who were excluded from eligibility for the main scheme Cost-of-Living Support Scheme due to having a Class N (Student) exemption on their Council Tax account.
- c) A payment of £150 is to be paid to the rent account of Council tenants who are in rent arrears and were identified as eligible for the main scheme Cost-of-Living Support Scheme but who failed to register for the payment before the deadline of 30th September 2022.
- d) A payment of £55 is to be paid to all households occupying domestic dwellings in Council Tax Band E who were not eligible for a payment from the Main Scheme Cost-of-Living Support Scheme.
- e) The maximum payment to one household from the Cost of Living Support Scheme as a whole (including both Main Scheme and Discretionary Scheme elements) will remain at £300.

|                                    |                 |
|------------------------------------|-----------------|
| <b>Report Author:</b>              | Julian Morgans  |
| <b>Finance Officer:</b>            | Ben Smith       |
| <b>Legal Officer:</b>              | Tracey Meredith |
| <b>Access to Services Officer:</b> | Rhian Millar    |

## 1. Introduction

1.1 As part of the Welsh Government's Supplementary Budget, on 15 February 2022 the Welsh Government announced a Cost-of-Living Support Scheme ("the scheme") to be administered on its behalf by local authorities. The guidance for the scheme was published on 23 March 2022 – see Appendix A to this report.

1.2 The Scheme is part of a national package of measures to help people with the cost-of-living crisis. The national package includes £152m to provide a £150 cost of living payment to eligible households (the Main Scheme) and £25m to provide discretionary support for other purposes related to living costs (the Discretionary Scheme). The schemes are intended to provide immediate support as Wales recovers from the pandemic and support households to deal with the impact of increasing energy and other costs.

- 1.3 The Discretionary Scheme fund can be used by each local authority to support households it considers to be in need of assistance with their living costs, including households eligible for support under the main Scheme. Each local authority can determine its use of discretionary support as it deems appropriate to address known and identified local needs. Cabinet approved the initial discretionary categories of eligible households for Swansea on 21<sup>st</sup> April 2022 – see Appendix B to this report.

## **2. The Main Scheme**

- 2.1 Payments of £150 per household were made between April and October 2022 under the main scheme, if the householder(s) met the criteria determined by Welsh Government. Payments were made to nearly 76,500 households in Swansea resulting in a total payment of approximately £11.465m (this figure continues to rise).
- 2.2 Any main scheme funding underspend as at 5<sup>th</sup> November 2022 was transferred to the Discretionary scheme fund as permitted by Welsh Government. There was an underspend as the funding had been based on an estimate of the number of people eligible and also because some householders believed eligible for the Main Scheme did not register for a payment before the deadline of 30<sup>th</sup> September 2022. This was in spite of the authority's efforts to encourage them to do so by various methods such as by sending additional letters reminding them to apply, additional publicity, liaison with partner organisations such as local housing associations, briefings to members and other Council departments and, where possible, telephoning people to encourage an application (other LAs reported experiencing similar issues).

## **3. The Current Discretionary Scheme**

- 3.1 In addition to supporting the eligible categories through the Main Scheme, each local authority can use the funding provided under the Discretionary Scheme to provide support to households it considers to be in need of assistance with their living costs. This support may take any form the Authority considers appropriate in order to satisfy the aims of the scheme. For example, a payment to a household not already covered in the main scheme, an additional payment on top of that paid from the Main Scheme or by covering the cost of other services provided to households in need by setting up an emergency fund to deal with a specific issue.
- 3.2 Various categories of household have already been identified as eligible for a discretionary payment in the report approved by Cabinet on 21<sup>st</sup> April 2022 – see Appendix B to this report. So far over 40,000 payments have been made under Swansea's Discretionary scheme, with a value of approximately £1.5m.

- 3.3 Furthermore, the Section 151 Officer (or his nominated representative) has unfettered discretion to consider, on a case-by-case basis and in exceptional circumstances, any individual compelling cases for payments from the Cost-of-Living Support Scheme in circumstances other than those specified in the original report. This discretion being subject to the amount of funding provided by Welsh Government for the scheme in Swansea.
- 3.4 In order to ensure that all eligible households receive the financial benefit of payments due under the Discretionary Scheme, this report recommends that any taxpayers who have been identified as eligible for a payment under the current discretionary scheme but have not registered for that payment as required by Sunday 19<sup>th</sup> February, will have any remaining discretionary sums they are eligible for paid directly to their Council Tax account regardless of whether they have a balance outstanding. This is considered a reasonable and measured approach as the potential beneficiaries of the discretionary scheme could be considered more vulnerable than main scheme beneficiaries.

#### **4. Additional Discretionary Scheme Payments**

- 4.1 Each local authority has complete autonomy to determine how it utilises the available discretionary funds in its area to achieve the aims of the overall scheme. Also, the amount that is paid under the discretionary scheme, subject to the available funding. As a result of that flexibility the guidance does not indicate an application is required in every case for a payment to be made from the discretionary scheme. This is because the funds might not always be utilised to provide support to individuals. Where a discretionary payment is to be issued to an individual, an application may be needed where the council does not already hold sufficient information to make such a payment.
- 4.2 As we approach the final months of the scheme, which ends in March 2023, it has been identified that there is likely to be an underspend of the available discretionary funds now available. As mentioned in paragraph 2.2, remaining funds from the Main Scheme were transferred to the Discretionary Scheme fund increasing the amount available. To ensure that the authority makes full use of this funding, further consideration of the full range of households that could be helped under the discretionary scheme is now required.
- 4.3 With the cost-of-living crisis and substantial bill increases continuing to affect households, deciding how best to help those who may have previously missed out on assistance, and doing so at a rapid pace, is considered of the utmost importance. There are difficulties associated with this process as we are dealing with a constantly changing amount in the remaining funds we have for distribution and we are also attempting to predict the behaviour of those citizens who may be eligible, in respect of whether they claim a payment or not. It would be preferable to conduct a co-produced, fully impact assessed, wide consultation process

however, as with the earlier discretionary scheme, this in itself would somewhat defeat the pressing nature of the matter at hand, as bills are due now and we need to issue payment quickly before the end of the scheme. The pragmatic approach remains to rely heavily on information we already hold on who is faced with extra cost of living pressures, and who has already been helped with payments under the main scheme and current discretionary scheme.

4.4 Whilst there are risks of challenge with a further “design at haste and repent at leisure scheme” the balance remains tilted towards immediate decision and action to achieve the policy objective of Welsh Government which is immediate relief of part of the cost of living where the authority is reasonably practicably able to do so. No individual in receipt of a payment is disadvantaged, so the scheme in absolute terms is beneficial. The risk of challenge would be in the choice of who is and was considered eligible, but the mitigation is that it is entirely for the authority to decide, with no right of appeal, on how to operate the scheme, in line with the discretionary grant offer from Welsh Government. It is felt this justifies the “act now” principle as the primary driver over other considerations. In addition, further mitigation is available in the Section 151 Officer’s discretionary powers as outlined in paragraph 3.3

4.5 The estimated funding available in the discretionary fund is approximately £717,000 and this is to be allocated as follows, although this distribution may be subject to change as the scheme progresses as all costings are based on estimates of the number of eligible households.

4.5.1 A payment of £150 will be paid to the Council Tax account of taxpayers not eligible for the main scheme Cost-of-Living Support Scheme who, as at 15/2/22, were entitled to a Council Tax disregard awarded in respect of:

- An adult with a Severe Mental Impairment (SMI) resident in their property.
- A carer for another adult resident in the property, the other cared for adult living in the property not being their partner.

The rationale is that these households have a vulnerable person in occupation and as such are likely to have higher living costs.

The estimated number of households is 206. Estimated cost is £30,900.

4.5.2 A payment of £150 will be made to the rent account of Council tenants who were not eligible for the main scheme Cost-of-Living Support Scheme due to having a Class N (Student exemption) on their Council Tax account as at 15/2/22.

The rationale is that as these are Council Tenants, they are likely to be households who are mature students with families.

The estimated number is 53 households. Estimated cost is £7,950

4.5.3 A payment of £150 will be made to the rent account of Council tenants:

- Eligible for the main scheme Cost-of-Living Support Scheme and
- Who failed to register for the payment before the deadline of 30<sup>th</sup> September 2022 and
- Who are currently in rent arrears.

If they live in a property in Council Tax band A or B, they will also be credited with the additional £28 due under the current discretionary scheme

This provision to credit the rent accounts will only apply to tenants in this group who have not already received a discretionary payment direct to their Council Tax account under the current discretionary scheme.

The rationale is that these households can be identified as eligible for the main scheme payment and further identified as being in financial difficulty from information already held as they are in rent arrears. For one reason or the other they did not register for the main scheme payment to be paid to them directly and in order to prevent them from missing out on the financial benefit of the Cost of Living payment, their rent account can be credited to help reduce the balance of debt outstanding.

The estimated number of households is 142. Estimated cost is £25,276

4.5.4 A payment of £55 is to be paid to the Council Tax account of all households occupying domestic dwellings in Council Tax Band E as at 15/02/2022, who were not eligible for the main scheme cost of living payment.

The rationale is that there remains a large number of Swansea residents who did not meet eligibility criteria for the main scheme payment. Awarding a payment to this large number of households will allow us to assist a large number of people with the increased cost of living.

The estimated number of households is 10,995. Estimated cost £604,725

4.6 The maximum total payment that can be paid to a single household from the Cost of Living Support Scheme (from the Main and/or Discretionary Schemes) where all the necessary eligibility criteria are satisfied is £300.

4.7 Making these payments directly to the Council tenants' rent accounts or directly to Council Tax accounts will remove the requirement for households to register for the payment, distributes the maximum financial benefit of the available funding across the City and ensures the

funding is allocated before the scheme ends on 31<sup>st</sup> March 2023.

4.8 The qualifying date of 15 February 2022 used in the main Scheme and the authority's original Discretionary Scheme is retained for continuity in respect of these additional eligibility criteria now proposed.

4.9 The new categories eligible to receive a payment under the discretionary scheme will be at an estimated cost of £668,851. Remaining funds will be kept to meet ad hoc requests for assistance that will be considered by the 151 Officer on a case-by-case basis and also for payments to be made to anyone eligible for a payment that the authority may not yet be aware of.

## **5. Impact on Tax and Benefits**

5.1 The DWP has confirmed that that payments (main scheme or discretionary) are considered a Local Welfare Provision and so are disregarded in the assessment of Income Support, Income Based Job Seekers Allowance (JSA) and Income Related Employment and Support Allowance (ESA), so these benefits will not be affected. In their LA Welfare Direct Lite Bulletin issued on 14 March 2022, the DWP confirmed that the Government has legislated to ensure that payments made under the Energy Rebate scheme announced on 3 February 2022 for England and equivalent schemes in the devolved administrations in Scotland and Wales, do not affect entitlement to Universal Credit.

5.2 HMRC has confirmed that the payments from this scheme would be made as Local Welfare Provision and are not taxable.

## **6. Integrated Assessment Implications**

6.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.



- 6.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 6.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 6.4 Although Welsh local authorities have been given the ability to determine their own local discretionary schemes with their own local criteria, they have also been tasked by the Minister for Finance and Local Government to proceed with designing and delivering their schemes as soon as quickly as possible. With that requirement in mind, and furthermore the obvious need to deliver immediate financial support to those in difficulty the period over which engagement would normally take place has been foreshortened with only informal discussions with partners having taken place. There has been, by necessity, a trade-off between a lengthy consultation process and swift action to support Swansea's citizens at a difficult time.
- 6.5 The ability to make rapid payments from the Cost-of-Living Support Scheme will have a positive impact for recipients. The support will help maximise income to households and will help reduce hardship in the city. Additionally, there may also be positive impacts on the workload of the Poverty and Prevention Service, Housing, Finance and other Departments. By rapidly designing and implementing the discretionary scheme so we can issue payments to citizens in need without delay, and before the scheme closes, as the authority has been asked to do by the Minister for Finance and Local Government.

## **7. Financial Implications**

- 7.1 Welsh Government has provided funding of £14,155,208 to cover all costs associated with the Scheme. An estimated amount of £717,000 remains available to distribute.
- 7.2 The new categories eligible to receive a payment under the discretionary scheme will be at an estimated cost of £668,851.
- 7.3 This leaves a reasonable reserve to meet ad hoc requests for assistance that will be considered by the 151 Officer on a case-by-case basis.

## **8. Legal Implications**

- 8.1 The risks attaching to the selection of criteria for the allocation of the additional Discretionary Scheme are set out in paragraphs 4.2 to 4.4 of this report. There is a risk that individuals or groups of individuals who feel aggrieved that they have not benefitted from the additional Discretionary Scheme may seek to challenge the Council's decision making process.
- 8.2 This risk is mitigated by the 151 Officer having ultimate discretion to award financial assistance on a case-by-case basis to households who make a request for assistance who did not meet the eligibility criteria under the Main or Discretionary schemes' specified categories of eligible households. Sufficient reserve funding has been kept for this purpose.

**Background Papers:** None

### **Appendices:**

- Appendix A Welsh Government Guidance for the Cost-of-Living Support Scheme
- Appendix B Cabinet report approved 22<sup>nd</sup> April 2022 – Mandatory and Discretionary Scheme
- Appendix C Integrated Impact Assessment Screening Form



Llywodraeth Cymru  
Welsh Government

Appendix A

PUBLICATION

# Cost of Living Support Scheme: guide for local authorities

Advice on how local authorities can manage the cost of living support scheme.

First published: 23 March 2022

Last updated: 23 March 2022



This document was downloaded from GOV.WALES and may not be the latest version.

Go to <https://gov.wales/cost-living-support-scheme-guide-local-authorities-html> for the latest version.

Get [information on copyright](#).

Page 273

# Contents

**Purpose**

---

**Overview**

---

**Eligibility for payments: Cost of Living Support Scheme**

---

**Eligibility for payments: Discretionary Cost of Living Support Scheme**

---

**Process**

---

**Verification requirements**

---

**Decisions, payments and appeals**

---

**Funding and projected demand**

---

**Records to be kept by Welsh authorities**

---

**Privacy notices**

---

**Monitoring and evaluation**

---

**Escalation of queries**

---

**Frequently asked questions**

---

# Purpose

This guidance provides local authorities with information to enable them to deliver the £150 Cost of Living Support Scheme (COLSS) and a Discretionary Cost of Living Support Scheme (DCOLSS) on behalf of the Welsh Government.

The package was announced as part of the Welsh Government's Supplementary Budget on 15 February 2022.

## Overview

The Welsh Government announced a package of measures to help people with the cost of living crisis. The package includes £152m to provide a £150 cost of living payment to eligible households (the main scheme) and £25m to provide discretionary support for other purposes related to living costs.

The schemes are intended to provide immediate support as Wales recovers from the pandemic and support households to deal with the impact of increasing energy and other costs.

The Discretionary Scheme fund can be used by each local authority to support other households it considers to be in need of assistance with their living costs. Each local authority will determine its use of discretionary support as it deems appropriate to address local needs.

## Eligibility for payments: Cost of Living Support Scheme

A payment of £150 can be made to a household under the main scheme if the householder(s) meets one of the following conditions.

## **A: Council Tax Reduction Scheme entitlement condition**

If the householder(s) was in receipt of support through the Council Tax Reduction Scheme on 15 February 2022, they are automatically assessed as being entitled to a payment of £150 regardless of the valuation band in which their property is placed.

## **B: Council Tax Band condition**

Households occupying properties in council tax Bands A to D are assessed as being entitled to a payment of £150 provided they satisfy all of the following criteria:

- liable for council tax on a property on 15 February 2022
- not in receipt of an exemption for that property on 15 February 2022
- living in that property as their main or primary residence on 15 February 2022
- responsible for paying the associated utility and other regularly incurred bills for that property on 15 February 2022.

Local authorities administering the scheme will be able to make the reasonable assumption that household(s) liable to pay council tax are also responsible for paying the utility and other regularly incurred bills.

Households living in properties which attract a disability adaptation band reduction are eligible for a payment, for example, a property which has been valued as Band E but which receives a disability adaptation band reduction to Band D is eligible.

Households are eligible for a payment under this scheme if their property's band as recorded in the council tax banding list on the 15 February 2022 is amended retrospectively after this date to fall within an eligible band, for example, because of a successful banding challenge made to the Valuation Office Agency (VOA) that concluded after this date. Households living in new-builds awaiting a banding from the VOA are also eligible for a payment if the band subsequently

allocated by the VOA, effective on 15 February 2022, meets the eligibility criteria for the scheme. Any disputes about property banding should be resolved through the VOA's usual processes. However, for operational reasons, payments will no longer be made in these respects after the scheme has closed on 30 September 2022.

## **Each household is restricted to only one payment of £150**

Only one payment is to be made in relation to any single dwelling under the main scheme. In cases of joint and several liability, only one payment is to be made and it should be paid to the first named person on the council tax bill. Where this is not possible, local authorities have discretion to identify the most appropriate person to whom the payment should be made.

## **Eligibility for payments: Discretionary Cost of Living Support Scheme**

In addition to supporting the eligible categories outlined above through the main scheme, each local authority may use the funding provided under the Discretionary Scheme to provide support to households it considers to be in need of assistance with their living costs. This support may take the form of a payment to a household not already covered in the main scheme, or it may cover the cost of essential services provided to the household, for example extending the provision of free school meals or meals-on-wheels.

Each local authority will determine how it utilises the available funds and some areas for consideration in the local discretionary scheme are listed below:

- Payments (or other support) may be provided to households who do not fall into one of the eligible classes A or B in the main scheme but who live in a property which is exempt from council tax, for example care leavers and people with a severe mental impairment exemption.
- Payments may be made to separately identifiable households living in

Houses in Multiple Occupation (HMOs).

- Households who are receiving housing support services and/or are living in temporary accommodation or a refuge may be awarded a payment.

The supplementary nature of this scheme recognises that these households may be more difficult to identify and may require the exercise of a local authority's discretion in determining whether a household should be eligible for support.

The authority will also have discretion to award a reduced amount or pay by instalments if it considers making a full payment would not be in a household's best interests or that it might compromise their welfare.

It is recognised that payments or the provision of other support to such households may be more readily administered by specialist services within the local authority e.g. social services, homelessness services, educational support services etc. separately from the administration of payments based on council tax records.

## Process

Local authorities will use existing council tax databases to identify households eligible for a payment under the main Cost of Living Support Scheme. They hold all the property information on valuation bands needed to select the relevant cohort for support. If current bank details are held by the local authority for direct debit payment, and the authority is satisfied that the data is correct, they may make a payment to the relevant bank account.

Local authorities are also asked to identify eligible households from existing Council Tax Reduction Scheme (CTRS) caseload data. Where the authority is satisfied that it holds current bank details, again it may make a payment to the relevant bank account.

There will however be many households who appear to be eligible for the £150 payment but for whom all the necessary information is not held. People in this



group will be required to complete a registration form to provide the authority with the required information. Each local authority will be responsible for providing its own registration form in whatever format it considers appropriate. The Welsh Government will work with local authorities to design a 'model' form for this purpose.

Responses to the registration must be completed by 5.00pm on 30 September 2022.

## Accessibility requirements

Authorities will need to ensure the registration form, and any local awareness-raising materials are accessible. They will also need to provide information in Welsh and English and support customers who have difficulty using online facilities.

## Verification requirements

### Verification of identification

It is anticipated that the information provided through the registration process and/or already recorded as part of council tax records or Council Tax Reduction Scheme data will be sufficient to validate identification of the householder(s) (and their partner). Authorities can decide to implement more stringent verification checks according to their risk appetite and these should be clearly stated within the content of the registration process.

To prevent authorities from having to undertake verification of associated property costs for all applicants, it has been agreed that if a householder (or their partner) is liable for council tax and in occupation of the property, this can be accepted as proof that they and/or their partner are responsible for paying the associated bills.

The Welsh Government accepts that there is very small risk that a householder

(or their partner) could be liable for council tax but not be responsible for paying the utility bills. This risk would not justify undertaking verification of such liability for all payments and would be mitigated in part by the householder's declaration that they are the utility bill payer as part of the registration process, where such registration is required.

It is also acknowledged that there are some situations where the person(s) liable to pay the associated utility bills may not be liable for council tax. Such households could be considered for support under the Discretionary Scheme.

## **Checking that the householder or their partner has not already received a payment under the scheme**

The main scheme is intended to provide one-off support to each eligible household although additional support may be provided under the Discretionary Scheme to households which have received support under the main scheme. Authorities will need to ensure that they have mechanisms in place to prevent duplicate payments unintentionally being made to households where they or their partner have already received a payment from the authority under the scheme either as a single person or as part of the same or a different household.

## **Decisions, payments and appeals**

### **Decisions**

An award made under the Cost of Living Support Scheme is not a crisis payment or an income replacement. For this reason, there is no specific timeframe for making decisions. However, decisions must be made promptly to facilitate payments as soon as possible. A suitable time window will be determined for operational purposes.

## Payments

Authorities are encouraged to provide payments to eligible households in a timely manner and payments should be made as soon as practically possible after a decision to pay has been made.

Payments under the main scheme should be made as a single payment of £150 to the bank account details available or provided on registration. It is recognised that some authorities may wish to make the payments by cheque or other method. Therefore, local authorities have discretion to choose how this support is delivered to each eligible household in order to best ensure speedy delivery.

Each recipient should receive a letter, email, or a text message to confirm that they are eligible and that their payment has been processed.

## Appeals

There is no right of appeal against any decision not to award a payment. People who are declined a payment will not be eligible because they do not meet the eligibility criteria. However, it would be good practice to outline the reason for refusal and make it clear that people can resubmit information if it was incorrect.

## Impact on tax and benefits

The DWP has confirmed that payments made under Local Welfare Provision are disregarded in the assessment of Income Support, Income Based Job Seekers Allowance (JSA) and Income Related Employment and Support Allowance (ESA), so these will not be affected. Universal Credit claimants will not experience any change in entitlement as a consequence of receiving a payment under this scheme.

HMRC has confirmed that the payment of £150 would be made as Local Welfare Provision and is not taxable. As a result, authorities will not need to provide details to HMRC of the payments made under this scheme.

As this payment is classed as Local Welfare Provision, it will also be disregarded as income for the purposes of assessing entitlement to the Council Tax Reduction Scheme.

## Funding and projected demand

### Funding

As outlined above, a total of £177m of funding has been identified for the Cost of Living Support Scheme and the Discretionary Scheme. It has been noted that there will be large volumes of cases where the local authority will not hold all the relevant information to make payment and will have to ensure the scheme is available to all households identified as eligible.

### Projected demand

The Welsh Government has identified around 740,000 properties currently in council tax Bands A to D.

There are also around 273,000 properties that are in receipt of support under the Council Tax Reduction Scheme, including 18,600 in Bands E to I.

To assist authorities with resource planning, more detailed calculations of expected volumes for each authority will be provided.

Authorities will be required to baseline a starting position for the delivery of the scheme by extracting the volumes of eligible properties from council tax and council tax reduction scheme databases.

## Records to be kept by Welsh authorities

Authorities should provide requested information to the Welsh Government to

allow for reporting on the delivery of the Cost of Living Support Scheme. This information should include:

- number of properties identified in each of the property bands A to D
- number of CTRS properties in Bands E to I
- number of households eligible
- number of registration requests
- number of payments made
- breakdown of the categories under which they have been paid.

The frequency of returns will be monthly.

## Privacy notices

As the data processors, authorities are advised to update privacy notices to indicate that they are processing Cost of Living Support Scheme payments.

Read our [privacy notice](#).

## Monitoring and evaluation

The Cost of Living Support Scheme will be monitored, and evaluations shared with Welsh Government officials and authority scheme contacts. Updates will be provided to Welsh Ministers as required.

This will include reporting on the number of households supported under the scheme, overall expenditure and an overview of any issues experienced in relation to the administration of the scheme.

## Escalation of queries

Queries in relation to the scheme should be directed as follows:

- All disputes relating to the award/non-award of payment should be addressed to the relevant local authority.
- Issues relating to the overall principles of the main Cost of Living Support Scheme should be addressed to the Welsh Government via the Welsh Local Government Association.

## Frequently asked questions

### **If authorities can identify eligible households and have current bank details for them, can the Cost of Living Support Scheme payment be made without the need for confirming details?**

Yes provided the local authority has satisfied its own requirements.

### **There will be groups of low-income households who are not liable for council tax. Why have these not been included as eligible for the scheme?**

This scheme is intended to provide support to those easily identifiable through the use of council tax data. A Discretionary Scheme is also being provided to assist households who are not liable to pay council tax.

Households can also apply to the [Discretionary Assistance Fund](#) if they are experiencing financial hardship.

### **Will the £150 payment affect means-tested benefits?**

The DWP has confirmed that payments made under Local Welfare Provision are disregarded in the assessment of Income Support, Income Based JSA and Income Related ESA so these will not be affected. For Universal Credit claimants, there is no such provision but as there is no period attached to the

payment, it will count as capital and claimants may need to report this to the DWP if their capital is over £5,800.

**A householder(s) who has their main residence in England has applied to the scheme for their second property in Wales. They are liable for paying council tax and are responsible for paying the fuels bills at the property, are they eligible for a payment?**

No. The scheme is there to support households in their primary residence only.

**A householder(s) owns two homes in Wales, are they eligible for assistance through the scheme?**

Only in respect of the property they inhabit as a primary residence (if they do occupy one of these properties as their primary residence).

**A householder(s) lives in a Band E property but receives a Disability Band Reduction which drops the charge to that of a B and D property, are they eligible?**

Yes. The revised band is used in eligibility for this scheme.

**Is there a target date by which payments should be made?**

No. Authorities are encouraged to make payments in a timely manner and as soon as practically possible after a successful decision.

**Can a householder(s) appeal against a decision not to**

## **award a payment under the Cost of Living Support Scheme?**

No. There is no right of appeal against a decision not to grant a payment as a refusal will arise because the household does not meet the conditions of the scheme. Authorities should look to reconsider cases where new information may change the outcome, for example, where a property is retrospectively listed as liable for council tax.



## About this document

This document is a copy of the web page [Cost of Living Support Scheme: guide for local authorities](#) downloaded.

Go to <https://gov.wales/cost-living-support-scheme-guide-local-authorities-html> for the latest version.

This document may not be fully accessible, for more information refer to our [accessibility statement](#).

Get [information on copyright](#).



**Report of the Cabinet Member for Economy, Finance and Strategy  
(Leader)  
Cabinet – 21 April 2022**

**Cost of Living Support Scheme – Mandatory and  
Discretionary Elements.**

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose:</b>           | To provide information on the mandatory scheme and to consider the wide discretionary powers also available to the Authority under the Welsh Government’s Cost of Living Support Scheme to provide immediate financial support to householders considered to be in need of assistance with living costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Policy Framework:</b>  | Tackling Poverty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Consultation:</b>      | Access to Services, Finance, Legal, Social Services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Recommendation(s):</b> | It is recommended that: <ol style="list-style-type: none"> <li>1) The details of the mandatory scheme set out in this report are noted and that they are already implemented.</li> <li>2) The details of the discretionary powers relating to the Cost of Living Support Scheme are also noted.</li> <li>3) The following categories and amounts are approved as the basis for discretionary payments under the Cost of Living Support Scheme:             <ol style="list-style-type: none"> <li>a) £150 will be paid to recipients of Council Tax exemptions awarded in respect of:                 <ul style="list-style-type: none"> <li>• Care Leavers</li> <li>• People with a Severe Mental Impairment (SMI)</li> <li>• Occupants of certain self-contained annexes</li> <li>• Residents under 18 years old</li> <li>• Care home residents</li> <li>• People resident elsewhere as they are receiving care</li> <li>• People resident elsewhere as they are providing care</li> <li>• Students studying elsewhere</li> </ul> </li> </ol> </li> </ol> |

- b) Other categories for which a payment of £150 will be made:
- Households occupying domestic dwellings in bands F to I for which a disability adaptation reduction has been granted.
  - Tenants of Swansea Council not in receipt of support from Housing Benefit (HB) or Universal Credit (UC) – in addition to any main scheme payment they are entitled to.
  - Any household Swansea Council can identify as being eligible for a £150 payment from the main scheme and which is required to register for a payment but has not done so by a date 2 weeks before the scheme closes.
- c) Additional measures
- £52,500 be placed in a fuel costs support fund to be used to support people having difficulty meeting fuel costs.
  - £28 to be paid to all households occupying domestic dwellings in Council Tax Bands A and B (in addition to any other single payment of £150 they are already entitled to from the main or discretionary scheme). One payment per property.
- d) The maximum payment to one household from the Cost of Living Support Scheme as a whole will be £300.

|                                    |                |
|------------------------------------|----------------|
| <b>Report Author:</b>              | Julian Morgans |
| <b>Finance Officer:</b>            | Ben Smith      |
| <b>Legal Officer:</b>              | Debbie Smith   |
| <b>Access to Services Officer:</b> | Rhian Millar   |

## 1. Introduction

- 1.1 As part of the Welsh Government’s Supplementary Budget, on 15 February 2022 the Welsh Government announced a Cost of Living Support Scheme (“the scheme”) to be administered on its behalf by local authorities. The guidance for the scheme was published on 23 March 2022 – see Appendix A to this report.
- 1.2 The Scheme is part of a national package of measures to help people with the cost of living crisis. The national package includes £152m to provide a £150 cost of living payment to eligible households (the main scheme) and £25m to provide discretionary support for other purposes related to living costs. The schemes are intended to provide **immediate** support as Wales recovers from the pandemic and support households to deal with the impact of increasing energy and other costs.
- 1.3 The Discretionary Scheme fund can be used by each local authority to support other households it considers to be in need of assistance with their living costs. Each local authority can determine its use of discretionary support as it deems appropriate to address known and identified local needs.

## 2. The Main Scheme

2.1 A payment of £150 can be made to a household under the main scheme if the householder(s) meets one of the following conditions. The authority has no powers to vary these criteria. We estimate that there are 80,000 households in Swansea that will be eligible for a payment under the main scheme, resulting in a payment of £12,000,000 in total.

### 2.1.1 Council Tax Reduction Scheme entitlement condition

If the householder(s) was in receipt of support through the Council Tax Reduction Scheme on 15 February 2022, they are automatically entitled to a payment of £150.

### 2.1.2 Council Tax Band condition

Households occupying properties in Council Tax Bands A to D are assessed as being entitled to a payment of £150 provided they satisfy **all** of the following criteria:

- Liable for council tax on a property in Swansea on 15 February 2022
- Not in receipt of an exemption for that property on 15 February 2022
- Living in that property as their main or primary residence on 15 February 2022
- Responsible for paying the associated utility and other regularly incurred bills for that property on 15 February 2022.

2.2 Welsh Government advises that local authorities will be able to make the reasonable assumption that household(s) liable to pay council tax are also responsible for paying the utility and other regularly incurred bills.

2.3 Households living in properties which attract a disability adaptation band reduction are eligible for a payment, for example, a property which has been valued as Band E but which receives a disability adaptation band reduction to Band D is eligible.

2.4 Only **one** payment of £150 is to be made in relation to any single dwelling under the main scheme. In cases of joint and several liability, only one payment is to be made and it should be paid to the first named person on the Council Tax bill. Where this is not possible, local authorities have discretion to identify the most appropriate person to whom the payment should be made.

2.5 Local authorities are encouraged to use existing databases to identify households eligible for a payment under the main Cost of Living Support Scheme. Furthermore, if current bank details are held by the local authority and the authority is satisfied that the data is correct, they may make an automatic payment to the relevant bank account without the recipient needing to complete a registration form. Swansea has already made approximately 45,000 payments by this method.

2.6 Households who appear to be eligible for a £150 payment but for whom all the necessary information is not already held by the Council in a

usable form, **must** complete a registration form to provide the authority with the required information. Registration **must** be completed by 5.00pm on 30 September 2022. The authority has **no** discretion to extend this deadline and late registration cannot be accepted.

- 2.7 Payments will usually be made directly into a recipient's bank account but alternative payments arrangements will be made available for anyone who does not have a bank account.

### **3. The Discretionary Scheme**

- 3.1 In addition to supporting the eligible categories outlined above through the main scheme, each local authority may use the funding provided under the Discretionary Scheme to provide support to households it considers to be in need of assistance with their living costs. This support may take **any** form the Authority considers appropriate in order to satisfy the aims of the scheme. For example a payment to a household not already covered in the main scheme; an additional payment on top of the £150 or by covering the cost of other services provided to households in need by setting up an emergency fund to deal with a specific issue.
- 3.2 Each local authority has complete autonomy to determine how it utilises the available funds in its area to achieve the aims of the overall scheme. Also the amount that is paid under the discretionary scheme. As a result of that flexibility the guidance does not indicate an application is required in every case for a payment to be made from the discretionary scheme. This is because the funds might not always be utilised to provide support to individuals. Where a discretionary payment is to be issued to an individual, an application may be needed where the council does not already hold sufficient information to make such a payment.
- 3.3 Payments will usually be made directly into a recipient's bank account but alternative payment arrangements will be made available for anyone who does not have a bank account.
- 3.4 Developing the discretionary scheme at rapid pace is considered of the utmost and primary importance as the cost of living crisis and substantial bill increases are already upon households now. With such a major grant scheme affecting 10,000+ people it would clearly be preferable to conduct a co-produced, fully impact assessed, wide consultation process but that in itself would somewhat defeat the pressing nature of the matter at hand, as bills are due now. The pragmatic approach is thus to more heavily rely on information we already hold which enables us to know who may have already faced extra cost of living pressures, and that could include groups previously directly affected by decisions already taken by Council through normal budgetary processes, such as for example, increases in housing rents at a pace far greater than council tax increases because of the fundamentally different nature of the funding models for both funds. The Council funds must remain separate but the cost of living pressures faced by both groups as individual households as

a direct result of previous Council decisions are significantly different and crucially known about by Council already and that has driven part of the design of the discretionary package.

3.5 Whilst there are risks of challenge with a “design at haste and repent at leisure scheme” the balance is tilted towards immediate decision and action to achieve the policy objective of Welsh Government which is immediate relief of part of the cost of living where the authority is reasonably practicably able to do so. No individual in receipt of a payment is disadvantaged, so the scheme in absolute terms is beneficial. The risk of challenge would be in the choice of who is and was considered eligible but the mitigation is that it is entirely for the authority to decide, with no right of appeal, on how to operate the scheme, in line with the discretionary grant offer from Welsh Government. It is felt the initial screening justifies the “act now” principle as the primary driver over other considerations.

3.6 Taking account of the available funding of £2,000,000, the recommendations in relation to payments from the discretionary scheme are as follows:-

3.6.1 Households who reside in properties in respect of which they are liable for Council Tax and for which the following exemptions from Council Tax have been awarded. These households have been excluded from the main scheme. A discretionary payment of £150 will be made from the scheme.

| Exemption Class                           | Estimated Number | General Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Estimated Cost |
|-------------------------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>U – Severe Mental Impairment (SMI)</b> | 373              | <p>A person who is medically certified as having a severe impairment of their intellectual or social functioning, that appears to be permanent.</p> <p>Conditions that can lead to severe mental impairment include Alzheimer's disease, Parkinson's disease and other forms of dementia. To be eligible, the person with the SMI must also be entitled to one of a list of specified benefits which includes Incapacity Benefit, Attendance Allowance or Personal Independence Payment</p> <p><b>Rationale:</b> This recognises the circumstances of the occupant means they should be entitled to a payment to assist with the cost of living.</p> | £55,950        |
| <b>X – Care leavers</b>                   | 64               | Who are 18 or over but have not yet reached the age of 25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | £9,600         |

|                                                             |    |                                                                                                                                                                                                                                                                                                                                                                                                                            |        |
|-------------------------------------------------------------|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
|                                                             |    | <b>Rationale:</b> This recognises the circumstances of the occupant means they should be entitled to a payment to assist with the cost of living.                                                                                                                                                                                                                                                                          |        |
| <b>W – Occupied annexes (often known as ‘granny flats’)</b> | 12 | <p>A self-contained annex, where the person who lives in it is a dependent relative of the owner of the main house. The dependent must be 65 or over, severely mentally impaired or have a substantial and permanent disability.</p> <p><b>Rationale:</b> These annexes will be smaller properties usually in bands A-D so this reflects continuity of approach and also recognises the circumstances of the occupant.</p> | £1,800 |

3.6.2 Households who reside in properties in respect of which they are **not** liable for Council Tax and for which the following exemption from Council Tax has been awarded. These households will not be eligible under the main scheme as they are not liable to pay Council Tax. A discretionary payment of £150 will be made from the scheme.

| Exemption Class       | Estimated Number | General Description                                                                                                                                                                                                                                                                                      | Estimated Cost |
|-----------------------|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>S – Under 18’s</b> | 28               | <p>All residents in the property are under the age of 18. The landlord will be liable for Council Tax due (although nothing is payable)</p> <p><b>Rationale:</b> The residents will in most cases be paying the utility bills and should be entitled to a payment to assist with the cost of living.</p> | £4,200         |

3.6.3 Households where the person liable for Council Tax is not in residence and so is **not** eligible for a payment from the main scheme. A discretionary payment of £150 will be made from the scheme.



| Exemption Class                                                         | Estimated Number | General Description                                                                                                                                                                                                                                                                  | Estimated Cost |
|-------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>E – care home resident</b>                                           | 258              | The liable person resides in a care home which is their sole or main residence.<br><br><b>Rationale:</b> they will still have bills to pay in respect of the property. Standing charges, insurance etc                                                                               | £38,700        |
| <b>I – absent and receiving care elsewhere</b>                          | 44               | The liable person is absent from the property as they are <u>receiving</u> care elsewhere but not in a care home.<br><br><b>Rationale:</b> they will still have bills to pay in respect of the property. Standing charges, insurance etc                                             | £6,600         |
| <b>J – absent and providing care elsewhere</b>                          | 11               | The liable person is absent from the property as they are providing personal care to another person elsewhere.<br><br><b>Rationale:</b> they will still have bills to pay in respect of the property. Standing charges, insurance etc                                                | £1,650         |
| <b>K – property left unoccupied by student owner studying elsewhere</b> | 3                | An unoccupied dwelling which was last occupied only by student(s) who are studying elsewhere.<br><br><b>Rationale:</b> they will still have bills to pay in respect of the property. Standing charges, insurance etc and most likely accommodation charges for their place of study. | £450           |

3.6.4 Households resident in domestic dwellings in Council Tax Bands F to I that are in receipt of a disability adaptation band reduction. They are not eligible for a payment under the main scheme. A discretionary payment of £150 will be made from the scheme.

| Class                                                   | Number | General Description                                                                                                                                                                                                                                        | Cost    |
|---------------------------------------------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| <b>Disability adaptation – premises in bands F to I</b> | 184    | Domestic dwellings in Bands F to I for which a disability adaptation reduction into a lower Council Tax band has been granted.<br><br><b>Rationale:</b> The cost of living for any person with a disability is higher than for those without a disability. | £27,600 |

3.6.5 Tenants in local authority owned properties who are **not** in receipt of support from Housing Benefit or Universal Credit towards their rental

costs. A discretionary payment of £150 will be made from the scheme. This payment is in addition to any payment of £150 the household is entitled to from the Main Scheme.

| Landlord                                                                                                       | Estimated Number | General Description                                                                                                                                                                                                                                                                                                          | Cost     |
|----------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Tenants of Swansea Council <b>not</b> in receipt of support from Housing Benefit (HB) or Universal Credit (UC) | 4192             | <b>Rationale:</b> we are able from data, we already hold as a landlord, to rapidly identify those likely to be eligible.<br>68% of Council Tenants receive HB/UC to assist with their rent. The estimated number given here reflects the remaining 32%.<br>This payment will be credited directly to tenants' rent accounts. | £628,800 |

3.6.6 All households occupying domestic dwellings in Council Tax Bands A (15,243) and B (25,723) will be paid a further top up payment of £28.00 in addition to any other single payment of £150 they are already entitled to. This will **not** be paid to Council Tenants who are entitled to the additional discretionary payment of £150 detailed in para 3.6.5 above.

3.6.7 Any household Swansea Council can identify as being eligible for a £150 payment from the main scheme which is required to register for a payment but has not done so by the time the scheme is about to close. A discretionary payment of £150 will be made from the scheme.

With such a large number of eligible citizens (80,000) there is potential that there will be a number of people who do not submit the necessary registration by the closing date of the scheme, for any number of reasons in spite of the Council's best efforts to encourage them to do so. To prevent any people in this group missing out on the available financial support if:

- By 5:00pm on 16 September 2022, a date 2 weeks before the scheme closes at 5:00pm on 30 September 2022
- A person the Council has identified as eligible for a main scheme payment has failed to complete the necessary registration
- A discretionary payment of £150 will be made directly to their Council Tax account to reduce any balance outstanding (a new bill will then be issued to show the reduced balance and amended instalments as appropriate).

The number in this group are unknown at this time but sufficient funding will be transferred from the main scheme to the discretionary scheme in order for this payment to be made.

3.6.8 £52,500 will be placed in a fuel costs support fund to be administered by a partner organisation in the city to be used to support people having difficulty meeting fuel costs. The partner organisation will be given full

discretion to authorise £150 payments from this fund without seeking approval from the authority. Payments from this fund may be made in addition to other payments from the Cost of Living Support Scheme.

3.6.9 The Section 151 Officer (or his nominated representative) will have unfettered discretion to consider, on a case by case basis and in exceptional circumstances, any individual compelling cases for payments from the Cost of Living Support Scheme in circumstances other than those specified in this report. This discretion being subject to amount of funding provided by Welsh Government for the scheme in Swansea.

3.6.10 The maximum total payment that can be paid to a single household from the Cost of Living Support Scheme (from the Main and/or Discretionary Schemes) where all the necessary eligibility criteria are satisfied is £300.

#### **4. Impact on Tax and Benefits**

4.1 The DWP has confirmed that that payments (main scheme or discretionary) are considered a Local Welfare Provision and so are disregarded in the assessment of Income Support, Income Based Job Seekers Allowance (JSA) and Income Related Employment and Support Allowance (ESA), so these will not be affected. In their LA Welfare Direct Lite Bulletin issued on 14 march 2022, the DWP confirmed that the Government has legislated to ensure that payments made under the Energy Rebate scheme announced on 3 February 2022 for England and equivalent schemes in the devolved administrations in Scotland and Wales, do not affect entitlement to Universal Credit.

4.2 HMRC has confirmed that the payments from this scheme would be made as Local Welfare Provision and are not taxable.

#### **5. Integrated Assessment Implications**

5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

- 5.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 5.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 5.2 Although Welsh local authorities have been given the ability to determine their own local discretionary schemes with their own local criteria, they have also been tasked by the Minister for Finance and Local Government to proceed with designing and delivering their schemes as soon as they are able to do so. With that requirement in mind, and furthermore the obvious need to deliver immediate financial support to those in difficulty the period over which engagement would normally take place has been foreshortened with only informal discussions with partner organisations having taken place. There has been, by necessity, a trade-off between a lengthy consultation process and swift action to support Swansea's citizens at a difficult time.
- 5.3 However, the ability to make rapid payments from the Cost of Living Support Scheme will have a positive impact for recipients. The support will help maximise income to households and will help reduce hardship in the city. Additionally, there may also be positive impacts on the workload of the Poverty and Prevention Service, Housing and Finance Departments. By rapidly designing and implementing the discretionary scheme so we can issue payments to citizens in need without delay as the authority has been asked to do by the Minister for Finance and Local Government.

## **6. Financial Implications**

- 6.1 Welsh Government has provided funding of £14,155,208 to cover all costs associated with the Scheme. At this time, this has been allocated as follows although this distribution may be subject to change as the scheme progresses as all costings are based on estimates of the number of eligible households:
- Payments of £150 to the 80,000 households we estimate are eligible for a payment from the main scheme (£12,000,000)
  - Payments from the Council's Discretionary Scheme (£2,000,000)
  - All administration costs – additional staffing, IT, postage and printing etc (£155,208)

6.2 The authority is able to move funding between the main scheme and discretionary scheme as it deems necessary in order to achieve the overall aims of the scheme.

## **7. Legal Implications**

7.1 The risks attaching to the selection of criteria for the allocation of the Discretionary Scheme are set out in paragraphs 3.4 and 3.5 of this report. There is a risk that individuals or groups of individuals who feel aggrieved that they have not benefitted from the Discretionary Scheme may seek to challenge the Council's decision making process. This risk is mitigated by the fact that Welsh Government has arranged for the grant funding to be received by the Council on 11/4/22 to deliver the clearly stated purpose – "The schemes are intended to provide immediate support as Wales recovers from the pandemic and support households to deal with the impact of increasing energy and other costs." Welsh Government has given Councils discretion to develop the criteria for their schemes whilst expecting these to be delivered as expeditiously as possible.

**Background Papers:** None

### **Appendices:**

- Appendix A Welsh Government Guidance for the Cost of Living Support Scheme
- Appendix B Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

**Which service area and directorate are you from?**

Service Area: Revenues and Benefits & Poverty and Prevention

Directorate: Financial Services & Social Services

**Q1 (a) What are you screening for relevance?**

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

**(b) Please name and fully describe initiative here:**

**Cost Of Living Support Scheme Payment – discretionary element.**

As part of the Welsh Government’s Supplementary Budget, on 15 February 2022 the Welsh Government announced a Cost of Living Support Scheme (“the scheme”) to be administered on its behalf by local authorities. The criteria of the ‘Main Scheme’ have been determined by Welsh Government but for part of the funding provided, Welsh LAs have been given the discretion to determine their own local discretionary schemes with their own local criteria. A previous report explained the options available and provided recommendations to Cabinet for adoption as the Council’s Local scheme. Authorities have been tasked by the Minister for Finance and Local Government to proceed with designing and delivering their schemes as soon as they are able to do so. As we approach the end of the scheme, it is apparent there will be an estimated underspend of the available funding so this report considers further groups that can be supported through the discretionary scheme as a result of that estimated underspend.

**Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)**

|                                     | High Impact              |                          | Medium Impact            |                          | Low Impact               |                          | Needs further investigation |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|
|                                     | +                        | -                        | +                        | -                        | +                        | -                        |                             |
| Children/young people (0-18)        | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Older people (50+)                  | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Any other age group                 | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/>    |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Gypsies & travellers                | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Religion or (non-)belief            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/>    |

# Integrated Impact Assessment Screening Form

|                              |                          |                          |                          |                          |                          |                          |                          |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Sex                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> |
| Sexual Orientation           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender reassignment          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> |
| Welsh Language               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> |
| Poverty/social exclusion     | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carers (inc. young carers)   | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Community cohesion           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> |
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> |
| Pregnancy and maternity      | <input type="checkbox"/> | <input type="checkbox"/> | x                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement**

As the developers of the whole scheme, welsh government would be expected to have carried out any engagement considered necessary or required. In respect of the discretionary scheme the criteria for which are determined locally, we have been required to develop and implement the scheme at pace so payments can be issued rapidly to deal with the immediate hardship caused by increases in the cost of living already being experienced by our citizens. With that requirement in mind, there is no time for a ‘normal’ engagement process to be undertaken as the delay caused by that process would defeat the aims of the scheme as a whole. Informal discussion across the authority have taken place and have fed into the development of these additional payments from the discretionary scheme.

**Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

- a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?  
     Yes ✓                      No
  
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
     Yes ✓                      No
  
- c) Does the initiative apply each of the five ways of working?  
     Yes ✓                      No
  
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
     Yes ✓                      No

**Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

|                                       |                                              |                                      |
|---------------------------------------|----------------------------------------------|--------------------------------------|
| High risk<br><input type="checkbox"/> | Medium risk<br>✓<br><input type="checkbox"/> | Low risk<br><input type="checkbox"/> |
|---------------------------------------|----------------------------------------------|--------------------------------------|

# Integrated Impact Assessment Screening Form

---

**Q6 Will this initiative have an impact (however minor) on any other Council service?**

Yes       No      **If yes, please provide details below**

Anyone who needs to make a payment to the Council for goods and services provided by any department will have a greater financial resources available to do so. We anticipate that the financial benefits of these additional payments to those in difficult circumstances will reduce debt and assist them to deal with the current cost of living crisis. They should therefore somewhat reduce the workload of departments assisting those people.

---

**Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

£14,000,000 paid to Swansea citizens to help them deal with the rising cost of living. This is a positive outcome and will assist with alleviating poverty in the area.



# Integrated Impact Assessment Screening Form

## Outcome of Screening

**Q8 Please describe the outcome of your screening below:**

The ability to make rapid payments from the Cost-of-Living Support Scheme will have a positive impact for recipients. The support will help maximise income to households and will help reduce hardship in the city. Additionally, there may also be positive impacts on the workload of the Poverty and Prevention Service, Housing, Finance and other Departments. By rapidly designing and implementing the discretionary scheme so we can issue payments to citizens in need without delay, and before the scheme closes, as the authority has been asked to do by the Minister for Finance and Local Government.

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                 |
|-------------------------------------------------|
| <b>Screening completed by:</b>                  |
| <b>Name: Julian Morgans</b>                     |
| <b>Job title: Head of Revenues and Benefits</b> |
| <b>Date: 29/1/23</b>                            |
| <b>Approval by Head of Service:</b>             |
| <b>Name:</b>                                    |
| <b>Position:</b>                                |
| <b>Date:</b>                                    |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)

# Agenda Item 17.



## Joint Report of the Cabinet Member for Economy, Finance and Strategy & the Cabinet Member for Investment, Regeneration and Tourism

Cabinet – 16 February 2023

### UK Shared Prosperity Fund Implementation

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose</b>           | Request approval to implement the UK Government Shared Prosperity Fund.<br><br>Outline of the UK Shared Prosperity Fund Regional Investment Plan and implementation approach including Swansea as Lead Authority for the South West region.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Policy Framework</b>  | Council Constitution:- Financial procedure Rules<br>Regional Economic Delivery Plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Consultation</b>      | Access to Services, Finance, Legal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Recommendation(s)</b> | It is recommended that Cabinet:<br><br>1) Approves the implementation of the Shared Prosperity Fund as outlined in the report, with Swansea acting as Lead Authority for South West Wales.<br><br>2) Delegates authority to the Director of Place, the Director of Finance and the Chief Legal Officer to finalise and enter into any appropriate agreements between local authority partners as necessary to deliver the SPF.<br><br>3) Approves the scope of the proposed Swansea SPF Anchor projects as set out in paragraph 4.6.<br><br>4) Delegates authority to the Leader in consultation with the relevant Cabinet Member, Director of Finance, Director of Place and Head of Service for Planning and City Regeneration to approve external grant awards above £25,000.<br><br>5) Delegates authority to Director of Place, Head of Service for Planning and City Regeneration and Economic Development & External Funding Manager, in consultation with the relevant Cabinet Member to approve applications for external grants up to the value of £25,000.<br><br>6) Delegates authority to the Director of Place in consultation with relevant Cabinet Member, to make decisions on the internally delivered projects within the Council e.g minor project adjustments. |

- 7) Notes that further FPR7 reports will be brought back to Cabinet in line with the Council's Constitution for additional capital projects arising out of Shared Prosperity Fund.

|                                   |              |
|-----------------------------------|--------------|
| <b>Report Author</b>              | Paul Relf    |
| <b>Legal Officer</b>              | Debbie Smith |
| <b>Finance Officer</b>            | Ben Smith    |
| <b>Access to Services Officer</b> | Rhian Millar |

## 1. Background

- 1.1 The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK government's Levelling Up agenda and will provide funding over the next 3 years up until March 2025. All areas of the UK will receive an allocation from the Fund via a funding formula rather than a competition. Its mix of revenue and capital funding can be used to support a wide range of interventions to build pride in place and improve life chances.
- 1.2 The UKSPF total for the region is made up of 'core' funding, which will fund most of the Fund's Priorities and the Multiply programme which focuses on supporting adult numeracy initiatives. The allocation for each of the local authorities across the region is as follows:

| <b>Total</b>             | <b>Core UKSPF</b> | <b>Multiply</b> | <b>Total</b>  |
|--------------------------|-------------------|-----------------|---------------|
| <b>South West Region</b> | £ 113,985,414     | £ 17,970,430    | £ 131,955,844 |
| Carmarthenshire          | £ 32,002,918      | £ 5,045,437     | £ 37,048,355  |
| Neath Port Talbot        | £ 28,448,295      | £ 4,485,031     | £ 32,933,326  |
| Pembrokeshire            | £ 19,125,971      | £ 3,015,315     | £ 22,141,286  |
| Swansea                  | £ 34,408,230      | £ 5,424,647     | £ 39,832,877  |

- 1.3 This funding will be invested across three priorities of the UKSPF by 31 March 2025:
- Communities and place: to enable places to invest to restore their community spaces and relationships and create the foundations for economic development at the neighbourhood-level, to help strengthen the social fabric of communities, supporting in building pride in place.
  - Support for local businesses: enabling places to fund interventions that support local businesses to thrive, innovate and grow.
  - People and skills: funding to help reduce the barriers some people face to employment and support them to move towards employment and education. Places can also target funding into skills for local areas to support employment and local growth.

- 1.4 The Programme is broader in scope than previous EU funds, but with a considerably reduced budget like for like. The Programme cannot be used to replace statutory provision.
- 1.5 In Wales, UK government supports delivery across the four regional strategic geographies on the economic development footprint. Local government has been given responsibility for developing a regional investment plan for approval by the UK government, and for delivery of the Fund thereafter. A 'lead local authority' for the region will receive the Region's allocation and have overall accountability for the funding and how the Fund operates. Swansea Council has been nominated to act as the lead Authority on behalf of the South West region.

## **2. Regional Investment Plan**

- 2.1 In order to access their allocation, lead local authorities have been asked to complete a Regional Investment Plan, setting out how they intend to use and deliver the funding at a very high level. The investment plan was submitted to UK government in August 2022.
- 2.2 Due to the short timescales involved, each local authority prepared a local investment plan which has fed into the wider Regional Investment Plan for South West Wales. The Investment Plan for Swansea was drafted in consultation with the Regeneration Swansea partnership and is based on our existing strategies and plans including the Economic Recovery Action Plan and the South West Wales Regional Economic Delivery Plan. From positive feedback received from civil servants prior to submission there was a smooth run through the appraisal process. Approval was received 5 December 2022.

## **3. Implementation**

- 3.1 Work is progressing on implementation on a regional basis to provide commonality so far as possible, but also consistency with the implementation statement in the regional Investment Plan. Underlying this work are the following principles:
  - Achieving a rapid start to ensure allocations are fully taken up each year.
  - Devolving implementation to the local level, but in the context of the regional plan and with a regional lead.
  - Minimising as far as possible the number of legal agreements and Service Level Agreements in part by taking advantage of UK Department for Levelling up, Housing and Communities guidance that local authorities can deliver parts of the programme in-house.
- 3.2 Four modes of delivery are proposed. In order of implementation these are:

Anchor projects: These are major projects run primarily in-house that will deliver major parts of the investment strategy. They will focus on specific DLUHC themes (Communities and Place, Supporting Local Business, People and Skills including or excluding Multiply), they may also tackle themes that run across the DLUHC themes (e.g. poverty), or a mixture of the two. There is no

assumption that the same anchor projects will run across the region. Anchor teams will comprise of both new and existing staff to ensure these are properly resourced to ensure delivery. Each Anchor project will be co-ordinated through a local board to include organisation(s) involved in delivery.

Grant schemes: For the most part these will be thematic and integrated into the anchor projects, but can stand alone if necessary. It is envisaged that these will provide:

- a. Grants to voluntary and community groups (also town and community councils) under the Communities and Place theme.
- b. Grants to businesses under the Supporting Local Businesses theme for capital equipment and innovation, to support start-ups and achieve decarbonisation.
- c. Grants primarily to the third sector and private sector to support activity previously supported by the WCVA Active Inclusion programme, or similar, where there is evidence that funding will prove an effective and efficient use of resources.

Standalone projects. These will be invited by competitive bidding rounds to fill clear gaps in strategy delivery that are not being met by anchor projects or grant schemes.

Procured projects. These will be specified and procured to deliver precisely defined activity that is not being fulfilled by anchor projects, grant schemes or procured projects

#### **4. Project Development**

- 4.1 The Economic Development & External Funding Team has already collated information provided by Council officers across Place, Social Services and Education, and those key strategic partners representing Regeneration Swansea economic regeneration partnership as well as a consultation session and submissions from the Third Sector, regarding projects they have identified as being suitable for delivery through the Shared Prosperity Fund. These are not bids or applications for funding, but are viewed by the Economic Development & External Funding Team as an indication of the types of projects that the Council and other organisations have an appetite to deliver, and also the magnitude of resources needed. The demand for resources inevitably exceeds the budget available, but there is some duplication of interventions, and some project concepts are insufficiently related to the objectives of the UKSPF or the Regional Investment Plan.
- 4.2 We have also been contacted by national (primarily Welsh) and some very local organisations seeking funding. We envisage that the best way of small local organisations accessing UKSPF will be through grant schemes, hence the intention to put these in place as quickly as possible. National bodies will be able to compete for funding for standalone or commissioned projects.

- 4.3 The most pressing task is to finalise design of the Anchor projects. Based on the objectives of the UKSPF, the regional Investment Plan, feedback from local and regional consultation and the project ideas that have come forward. Table 1 indicates the scope and scale of the anchor projects. Over half of the funding within anchor projects is designed around grant schemes to ease access for smaller organisations in the private and third sectors, with the balance being employability and business support frontline provision. Provision is carefully aligned to ensure no duplication with any other funding streams, and seamlessly integrated with existing provision. Activities targeted reflect the known pressures based on current economic circumstances.
- 4.4 It is proposed that the People & Skills theme be addressed through a targeted open call with reference to the most up to date skills and employment research via the Regional Learning and Skills Partnership to enable the training sector to formulate appropriate proposals.
- 4.5 The headline principles outlined above are based on the range of engagement across the Council and partners outlined above. Detail will be further refined assuming the headline activities and budget allocations are supported.
- 4.6 It is anticipated that the budget/resources allocated to in-house Anchor projects will not exceed more than 50% of UKSPF resources, excluding Multiply, but nonetheless significant resources would be directed outwards to external organisations seeking funding support where this aligns with the programme requirements and regional and local strategies.

**Table 1: Indicative programme breakdown of activities and budget**

| <b>Anchor/call title</b>         | <b>Activity</b>                                                                                                                                                                                                                                                                                                                                                         | <b>Budget</b>    |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Supporting Communities Anchor    | <ul style="list-style-type: none"> <li>Grant funding for community/ third sector projects</li> </ul>                                                                                                                                                                                                                                                                    | Up to £3,000,000 |
| Transforming County Place Anchor | <ul style="list-style-type: none"> <li>Historic structures and conservation area feasibility and project fund</li> <li>Village and town centre small scale enhancements</li> <li>Business improvement grants</li> <li>Heritage led economic regeneration activities and trails</li> <li>Meanwhile spaces (commission)</li> <li>Strategic feasibility studies</li> </ul> | Up to £3,500,000 |
| Culture & Tourism Anchor         | <ul style="list-style-type: none"> <li>Development of creative network, sector support, Fusion digital skills, strategy and feasibility</li> </ul>                                                                                                                                                                                                                      | Up to £3,500,000 |
| Rural Anchor                     | <ul style="list-style-type: none"> <li>Successor project to the Rural Development Programme providing funding for rural community development, climate change and net zero based</li> </ul>                                                                                                                                                                             | Up to £800,000   |

|                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
|                                         | activities and rural business activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                    |
| Supporting Business Anchor              | <ul style="list-style-type: none"> <li>• Business Grants - Start up grants, growth grants, website development grants, supplier development grants</li> <li>• Self-employment and business support events, supplier development workshops, local food producer events</li> <li>• Carbon Reduction grants and training for businesses</li> <li>• City Centre events linked to Swansea Market to drive footfall</li> <li>• Commercial Property Development Fund</li> <li>• Third Sector business development support</li> </ul>                                                                                                          | Up to £5,000,000   |
| Employability anchor – Pathways to Work | <p>Council coordinated multi-agency employability provision to include:</p> <ul style="list-style-type: none"> <li>• NEET Prevention (Cynnydd successor)</li> <li>• Post-16 NEET support (Cam Nesa successor)</li> <li>• Enhanced Employability support for 16+ Economically Inactive and Long Term Unemployed.</li> <li>• Paid Work Placements</li> <li>• City Centre Employment Hub</li> <li>• Prison leavers support</li> <li>• Specialist and niche employability support fund of £2m to be launched as open call. To include provision for ESOL, support people with disabilities and work limiting health conditions.</li> </ul> | Up to £6,400,000   |
| General Open Call                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | £8,000,000 minimum |
| Skills Open Call                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | £3,000,000         |
| Multiply Open Call                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | £5,207,661         |
| 4% Management fee (up to)               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | £1,425,216         |
| <b>Total</b>                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>£39,832,877</b> |

## 5. Decision-making

- 5.1 The UK SPF prospectus outlines that local partnerships will be a core component of how the fund is administered locally. It states that once Investment Plans are approved partners should be asked to provide advice on strategic fit and

deliverability of investments. As such, it is proposed the Regeneration Swansea partnership will act as the local project board for SPF and undertake assessment of the anchor projects and standalone funding bids received through open calls and make recommendations to Cabinet on which bids to approve. Once the programme is operational, the partnership will receive monitoring reports on the delivery of the programme in Swansea to ensure the programme is being delivered in line with the local priorities set out in the investment plan.

- 5.2 The assessment process for funding bids received would be undertaken through thematic grant panels (for Communities & Place, Supporting Business and People & Skills) comprising of Regeneration Swansea members and Cabinet members/ officers as appropriate. To avoid any conflicts of interest, grant panel members would need to declare their interests in any bids and would not be able to take part in the assessment and scoring of those applications. Based on the grant panel assessments, a shortlist of recommended bids would be presented to the full Regeneration Swansea partnership for endorsement. The outcome of the Regeneration Swansea assessment process and recommended shortlist would then be presented to Cabinet for approval. Similarly, all anchor projects would be assessed by the relevant thematic grant panel to ensure they meet the requirements of the Investment Plan, prior to sign off by Cabinet.
- 5.3 It is recommended that grant awards above £25k are delegated to the Leader in consultation with the relevant Cabinet Member, S151 Officer, Director of Place and Head of Service for Planning and City Regeneration. For grants up to £25k decisions be delegated to Director of Place, Head of Service for Planning and City Regeneration and Economic Development & External Funding Manager, in consultation with the relevant Cabinet Member. On the basis that UK SPF Guidance requires a consultative local partnership panel, the intention is to use Regeneration Swansea as that consultative mechanism.
- 5.4 The Regional Regeneration Directors Group, reporting to the Corporate Joint Committee, would act as the SPF regional project board for South West Wales and be responsible for monitoring the programme at the regional level to ensure it is being delivered in line with the Regional Investment Plan for South West Wales.

## **6. Resources**

- 6.1 It is envisaged that the Anchor projects will be sufficiently staffed to project manage in-house and grant scheme delivery where these grant schemes form part of the Anchor projects. Where the grant scheme is stand-alone that sufficient resource to administer the grants will be included within the budget. Standalone and Commissioned projects will be expected to also include appropriate budgets for their project management.
- 6.2 UK SPF provides for circa 4% of resources to be used to fund administrative support for the programme. In Swansea, this amounts to £1.66m for the programme duration, based on the local budget allocation. However, given Swansea Council's role as Lead Local Authority it is proposed that this budget is uplifted to £2.43m to resource a regional function. Each LA would contribute a proportion of their 4% budget to fund the uplift, whilst still retaining 80% of their



original indicative budget. Most will be used to provide additional capacity within the Economic Development & External Funding Team. This team will need to:

- Organise competitive bidding rounds as necessary.
- Commission projects as necessary.
- Carry out Regional & Local programme management functions to include:
  - Collation of financial and non-financial returns from Swansea projects for submission to the Regional Management function.
  - Collation of financial and non-financial returns from each Local Authority for collation and submission to DLUHC from the Regional Management function/Lead LA.
  - Performance management and change control.
  - Commissioning of local evaluations and contract management.
  - Management of branding and publicity issues.
  - Subsidy control.
  - Assurance of propriety, regularity, and value for money of expenditure.
  - Liaison with DLUHC regarding possible audit.
- Prepare Annual Reports on UK SPF to Cabinet.

## 7. Timescale

7.1 The following timescale is envisaged:

|               |                                                                                                                                                                                                                                                                                 |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| December 2022 | Allocation of existing staff to work on Regional Management function and Anchor projects. Communication of implementation approach to stakeholders. Staff in Economic Development & External Funding Team to design procedures and processes, initial staff briefings complete. |
| December 2022 | Regional Investment Plan approved and UKSPF allocation made available. Phase 1 anchor projects fully designed. Recruitment for new posts to commence. Regional SPF guidance and application pack finalised and uploaded to dedicated SPF webpage.                               |
| Feb 2023      | Phase 1 anchor projects formally approved and start delivery. Progress development of Phase 2 anchor projects. Thematic grant schemes fully designed and ready to launch.                                                                                                       |
| February 2023 | South West Wales UKSPF programme launch event with local publicity. Targeted open call for standalone projects.                                                                                                                                                                 |
| March 2023    | First grant scheme approvals. Phase 2 anchor projects to commence.                                                                                                                                                                                                              |

|                   |                                                                                    |
|-------------------|------------------------------------------------------------------------------------|
| End December 2024 | End date for programme delivery. Commencement of programme closure period          |
| Jan - March 2025  | Programme closure - completion of final claims, progress reporting and evaluation. |

- 6.2 It should be stressed that this is a demanding timescale and there is a high risk that slippage may occur, and that this may lead to underspending of the 2022/23 allocation.

## **7. Conclusions**

- 7.1 Cabinet is asked to approve the approach proposed for the implementation of UKSPF in Swansea, recognising that amendments to the proposals may yet prove necessary and/or desirable.

## **8. Legal implications**

- 8.1 The programme is structured to keep the number of formal service level agreements to a minimum. Support for legal costs is included in lead authority budgets. A service level agreement is to be prepared formalising the working relationship between the four South West local authorities. External lawyers have been instructed to draft the service level agreement as a result of lack of capacity within the in house legal team.
- 8.2 External lawyers have also been instructed to draft the formal award letters for funding to third parties. This is necessary to ensure compliance with grant terms and conditions in addition to the high level requirements set out by UK Government in the SPF Prospectus, Additional Information guidance, and Memorandum of Understanding that will be awarded for each financial year of the programme.

## **9. Finance Implications**

- 9.1 The programme must operate within the defined budgets. Support costs for financial services are incorporated to support the volume of processing activity anticipated and the bulk of this will be managed by the regeneration teams but additional core finance and accountancy support is likely to be needed urgently. All terms and conditions from UK Government will be transmitted to partner authorities via the Service Level Agreement. All external organisations in receipt of funding will be in receipt of a suitable offer letter summarising terms and conditions relevant and proportionate to the scale and purpose of the grant award and relevant UK Government requirements.
- 9.2 Financial risk must be continually reviewed.
- 9.3 Allocations for each financial year are paid by UK Government on receipt of signed Grant Determination letter and in advance of the start of each financial year. Funds unspent in year can be vired into future years on approval of a 'credible plan' demonstrating the funds unspent can be utilised in the following financial year, on an annual basis only.

9.4 Outcome related expenditure will only be reimbursed to partner authorities on receipt of a satisfactory progress report and where relevant evidence that outcomes required have been achieved.

## **10. Integrated Assessment Implications**

10.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

10.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

10.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

10.4 The Shared Prosperity Fund will invest in projects that support people, boost skills and support local business – to build more communities that people are proud to call home.

10.5 Whilst this assessment concludes that no full report is required, a wider stakeholder engagement has taken place at regional and local level both within the Council and external third and private sector stakeholder

10.6 All projects are being designed to be fully compliant with the Well-being of Future Generations (Wales) Act 2015, and to align with the Council's obligation to act in a sustainable way and the examples of public and private sector investment demonstrate compliance with the 5 Ways of Working promoted by the Act and will make a significant contribution to the 7 well-being goals. All projects must

describe this in the strategic context section of their application form for assessment.

10.7 Each project will be subject to its own IIA process.

**Background papers:**

Links to UK SPF Prospectus

[UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672222/UK_Shared_Prospersity_Fund_prospectus.pdf)

**Appendices:**

Appendix 1 - IIA

# Appendix 1 - Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

## Which service area and directorate are you from?

Service Area: Planning and City Regeneration

Directorate: Place

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

### (b) Please name and fully describe initiative here:

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK government's Levelling Up agenda and will provide funding over the next 3 years up until March 2025. All areas of the UK will receive an allocation from the Fund via a funding formula rather than a competition. Its mix of revenue and capital funding can be used to support a wide range of interventions to build pride in place and improve life chances.

The UKSPF total for the region is made up of 'core' funding, which will fund most of the Fund's Priorities and the Multiply programme which focuses on supporting adult numeracy initiatives. The allocation for each of the local authorities across the region is as follows:

| Total                    | Core UKSPF    | Multiply     | Total         |
|--------------------------|---------------|--------------|---------------|
| <b>South West Region</b> | £ 113,985,414 | £ 17,970,430 | £ 131,955,844 |
| Carmarthenshire          | £ 32,002,918  | £ 5,045,437  | £ 37,048,355  |
| Neath Port Talbot        | £ 28,448,295  | £ 4,485,031  | £ 32,933,326  |
| Pembrokeshire            | £ 19,125,971  | £ 3,015,315  | £ 22,141,286  |
| Swansea                  | £ 34,408,230  | £ 5,424,647  | £ 39,832,877  |

This funding will be invested across three priorities of the UKSPF by 31 March 2025:

- Communities and place: to enable places to invest to restore their community spaces and relationships and create the foundations for economic development at the neighbourhood-level, to help strengthen the social fabric of communities, supporting in building pride in place.
- Support for local businesses: enabling places to fund interventions that support local businesses to thrive, innovate and grow.

## Appendix 1 - Integrated Impact Assessment Screening Form

- People and skills: funding to help reduce the barriers some people face to employment and support them to move towards employment and education. Places can also target funding into skills for local areas to support employment and local growth.

The Programme is broader in scope than previous EU funds, but with a considerably reduced budget like for like. The Programme cannot be used to replace statutory provision.

In Wales, UK government supports delivery across the four regional strategic geographies on the economic development footprint. Local government has been given responsibility for developing a regional investment plan for approval by the UK government, and for delivery of the Fund thereafter. A 'lead local authority' for the region will receive the Region's allocation and have overall accountability for the funding and how the Fund operates. Swansea Council has been nominated to act as the lead Authority on behalf of the South West region.

### Regional Investment Plan

In order to access their allocation, lead local authorities have been asked to complete a Regional Investment Plan, setting out how they intend to use and deliver the funding at a very high level. The investment plan was submitted to UK government in August 2022.

Due to the short timescales involved, each local authority prepared a local investment plan which has fed into the wider Regional Investment Plan for South West Wales. The Investment Plan for Swansea was drafted in consultation with the Regeneration Swansea partnership and is based on our existing strategies and plans including the Economic Recovery Action Plan and the South West Wales Regional Economic Delivery Plan. A copy of the South West Wales Investment Plan is included in Appendix A. From positive feedback received from civil servants prior to submission a smooth run through the appraisal process is anticipated. Approval was received 5 December 2022.

### Implementation

Work is progressing on implementation on a regional basis to provide commonality so far as possible, but also consistency with the implementation statement in the regional Investment Plan. Underlying this work are the following principles:

- Achieving a rapid start to ensure allocations are fully taken up each year.
- Devolving implementation to the local level, but in the context of the regional plan and with a regional lead.
- Minimising as far as possible the number of legal agreements and Service Level Agreements in part by taking advantage of UK Department for Levelling up, Housing and Communities guidance that local authorities can deliver parts of the programme in-house.

Four modes of delivery are proposed. In order of implementation these are:

Anchor projects: These are major projects run primarily in-house that will deliver major parts of the investment strategy. They will focus on specific DLUHC themes (Communities and Place, Supporting Local Business, People and Skills including or excluding Multiply), they may also tackle themes that run across the DLUHC themes (e.g. poverty), or a mixture of the two. There is no assumption that the same anchor projects

## Appendix 1 - Integrated Impact Assessment Screening Form

will run across the region. Anchor teams will comprise of both new and existing staff to ensure these are properly resourced to ensure delivery. Each Anchor project will be co-ordinated through a local board to include organisation(s) involved in delivery.

Grant schemes: For the most part these will be thematic and integrated into the anchor projects, but can stand alone if necessary. It is envisaged that these will provide:

- a. Grants to voluntary and community groups (also town and community councils) under the Communities and Place theme.
- b. Grants to businesses under the Supporting Local Businesses theme for capital equipment and innovation, to support start-ups and achieve decarbonisation.
- c. Grants primarily to the third sector and private sector to support activity previously supported by the WCVA Active Inclusion programme, or similar, where there is evidence that funding will prove an effective and efficient use of resources.

Standalone projects. These will be invited by competitive bidding rounds to fill clear gaps in strategy delivery that are not being met by 1 and 2 above.

Procured projects. These will be specified and procured to deliver precisely defined activity that is not being fulfilled by 1, 2 and 3 above.

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

|                                     | High Impact              |                          | Medium Impact                       |                          | Low Impact                          |                          | Needs further investigation |
|-------------------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|
|                                     | +                        | -                        | +                                   | -                        | +                                   | -                        |                             |
| Children/young people (0-18)        | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Older people (50+)                  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Any other age group                 | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Gypsies & travellers                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Religion or (non-)belief            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Sex                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Sexual Orientation                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Gender reassignment                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Welsh Language                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Poverty/social exclusion            | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Carers (inc. young carers)          | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Community cohesion                  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>    |
| Marriage & civil partnership        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Pregnancy and maternity             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |

### Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement

## Appendix 1 - Integrated Impact Assessment Screening Form

The Economic Development & External Funding Team has already collated information provided by Council officers across Place, Social Services and Education, and those key strategic partners represented Regeneration Swansea economic regeneration partnership as well as a consultation session and submissions from the Third Sector, regarding projects they have identified as being suitable for delivery through the Shared Prosperity Fund. These are not bids or applications for funding, but are viewed by the Economic Development & External Funding Team as an indication of the types of projects that the Council and other organisations have an appetite to deliver, and also the magnitude of resources needed. The demand for resources inevitably exceeds the budget available, but there is some duplication of interventions, and some project concepts are insufficiently related to the objectives of the UKSPF or the Regional Investment Plan.

We have also been contacted by national (primarily Welsh) and some very local organisations seeking funding. We envisage that the best way of small local organisations accessing UKSPF will be through grant schemes, hence the intention to put these in place as quickly as possible. National bodies will be able to compete for funding for standalone or commissioned projects.

The most pressing task is to finalise design of the Anchor projects. Based on the objectives of the UKSPF, the regional Investment Plan, feedback from local and regional consultation and the project ideas that have come forward. Table 1 indicates the scope and scale of the anchor projects. Over half of the funding within anchor projects is designed around grant schemes to ease access for smaller organisations in the private and third sectors, with the balance being employability and business support frontline provision. Provision is carefully aligned to ensure no duplication with any other funding streams, and seamlessly integrated with existing provision. Activities targeted reflect the known pressures based on current economic circumstances.

It is proposed that the People & Skills theme be addressed through a targeted open call with reference to the most up to date skills and employment research via the Regional Learning and Skills Partnership to enable the training sector to formulate appropriate proposals.

The headline principles outlined above are based on the range of engagement across the Council and partners outlined above. Detail will be further refined assuming the headline activities and budget allocations are supported.

### **Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?  
Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
Yes  No
- c) Does the initiative apply each of the five ways of working?  
Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs? Page 317



# Appendix 1 - Integrated Impact Assessment Screening Form

Yes

No

---

**Q5** What is the potential risk of the initiative? (*Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...*)

High risk

Medium risk

Low risk

---

**Q6** Will this initiative have an impact (however minor) on any other Council service?

Yes

No

If yes, please provide details below

---

**Q7** What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

The Shared Prosperity Fund is one of the replacement 'Levelling up Funds' designed to replace EU funding on a tapering basis. This Fund will support people, businesses and communities across the Swansea to pilot programmes and new approaches and will invest in skills, community and place, local business, and supporting people into employment.

# Appendix 1 - Integrated Impact Assessment Screening Form

## Outcome of Screening

**Q8 Please describe the outcome of your screening below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

The Shared Prosperity Fund will invest in projects that support people, boost skills and support local business – to build more communities that people are proud to call home.

Whilst this assessment concludes that no full report is required, a wider stakeholder engagement has taken place at regional and local level both within the Council and external third and private sector stakeholder

All projects are being designed to be fully compliant with the Well-being of Future Generations (Wales) Act 2015, and to align with the Council's obligation to act in a sustainable way and the examples of public and private sector investment demonstrate compliance with the 5 Ways of Working promoted by the Act and will make a significant contribution to the 7 well-being goals. All projects must describe this in the strategic context section of their application form for assessment.

Each project will be subject to its own IIA process.

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                                                       |
|-----------------------------------------------------------------------|
| <b>Screening completed by:</b>                                        |
| <b>Name: Paul Relf</b>                                                |
| <b>Job title: Economic Development &amp; External Funding Manager</b> |
| <b>Date: 02.02.2023</b>                                               |
| <b>Approval by Head of Service:</b>                                   |
| <b>Name: Phil Holmes</b>                                              |
| <b>Position: Head of Service for Planning &amp; City Regeneration</b> |
| <b>Date: 02.02.2023</b>                                               |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)