



City and County of Swansea

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

Remotely via Microsoft Teams

Tuesday, 17 January 2023 at 10.00 am

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

P M Black
L James
M W Locke

Councillor(s)

R Fogarty
D H Jenkins
B J Rowlands

Councillor(s)

P R Hood-Williams
J W Jones

Cabinet Member(s)

Rob Stewart
(Leader)

Cabinet Member for Economy Finance and Strategy

Officer(s)

Martin Nicholls
Ben Smith
Richard Rowlands
Sarah Lackenby
Marlyn Dickson
Rachel Percival

Chief Executive
Director of Finance and Section 151 Officer
Corporate Performance Manager
Head of Digital and Customer Services
Strategic Change Programme Manager
Scrutiny Officer

Apologies for Absence

Councillor(s): M Jones

36 **Disclosure 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:

Rachel Percival - (Item 6) - personal interest, left prior item 6 and re-joined for item 7 onwards.

37 **Prohibition of Whipped Votes and Declaration of Party Whips**

None.

38 **Minutes**

Minutes of previous meeting were agreed.

39 Public Questions

There were no public questions received.

40 Budget Proposals 2023/24 - 2026/27

Cllr Rob Stewart Cabinet Member for Economy, Finance and Strategy and Ben Smith the Director of Finance and Section 151 Officer attended to give an overview of the draft budget. They talked through the following:

- Formal budget consultations have started and are ongoing.
- Significant cash funding for 23/34 has been agreed but this does not fully cover any pay awards.
- Over £75 million worth of cash sums going in over the next four years into directorate budgets, with more going into central pots but the real terms spending power will still be impacted.
- £15m has been budgeted for energy costs to cover short term inflation cost rises. This will be taken from the Economic Recovery Fund in the short term.
- £22.3 million of cash savings are required from services and a further near £3 million from schools, making £25 million in cash savings required at the moment on the planning assumptions made.
- Current reserves stands at £168m with £40m earmarked estimated spend for the current year and £30m earmarked spend for the coming year.
- Up to 68 full time equivalent roles are at risk with ongoing mitigations to reduce this number.
- The cost implications of the current and forecast pay awards for local government staff and teachers will fall upon the Council.
- Up to £50m future borrowing is forecast. Any borrowing will be delayed until rates of interest are more attractive.
- There is no plan to draw further on the Insurance Fund (£14m) this year especially as Cabinet only recently agreed a major draw in current year. Officers are confident this is well-funded at the present time, based on relevant information and advice.
- There is a current assumption of a 5% rise in Council tax for planning purposes but no decision yet and will only be finalised when all other costs factored in.
- The Fire Authority Levy which is independently set is yet unknown. Early indications are that the levy could rise by between 8% and 17%.

41 Q2 Revenue and Capital Budget Monitoring 2022/23

Cllr Rob Stewart and Ben Smith talked through the Q2 budget monitoring report for 22/23:

- Quarter 2 Monitoring report demonstrates similar picture to Quarter 1.
- Directors have been requested to avoid overspending and overall there is just under a £3 million overspent forecast however the teachers' pay increase is anticipated at a £3.4 million cost pressure which will be drawn from school reserves ensuring the overall budget balanced.
- There is an under spend on capital financing which is being used to top up the Capital Equalization Reserve.

- There are emerging pressures in housing which will affect the HRA finances.

42 Q2 2022/23 Performance Monitoring Report

Richard Rowlands Corporate Performance Manager presented the report. It was noted that:

- Out of 27 comparable indicators in the report, 14 showed improvement or maintained performance. Of the remaining 13, 4 showed a decline but within just 5% of the previous result, 2 showed a drop in performance attributable to the effects of the pandemic and 7 showed a drop in performance not related to the pandemic.
- There were 6 new indicators during quarter 2 mainly as the result of the introduction of a new social services performance framework by Welsh Government.
- Safeguarding performance remains strong, but challenges also remain in terms of workforce capacity, which is an issue across health and social care.
- A shift to preventative and well-being approaches is envisaged by the social services well-being act which are yet to be fully embedded due to investment being directed towards health boards. Although the Council is committed to investing in preventative models.
- Education attendance figures have dropped but are within 5% of the previous result. Work is being undertaken by the Education and Skills Corporate Delivery Committee to look at this issue.
- Economy and Infrastructure has seen an improvement compared to the same period last year in the number of projects with social benefit clauses and Beyond Bricks & Mortar in their contracts. There was a slight fall in the % of planning applications determined in 8 weeks due to vacancies within the team.
- In regards to tackling poverty, the processing times for Council tax and housing benefits has dropped. Similarly to last quarter, staff continue to be diverted to administer Welsh Government grants in addition to some loss of staff.
- There is an increase in staff sickness due to the impact from the pandemic and delays to health treatments issues and personal stress.
- Work is underway to seek to develop new climate change and nature indicators aiming to be introduced for the first quarter of next year or as soon as possible thereafter in line with the work needed to define them and ensure data is collectable and reportable.

43 Sustainable Swansea Update

Martin Nicholls, Chief Executive presented this report. The following was noted:

- Sustainable Swansea has been previously brought to scrutiny and this report covered the remaining outstanding items.
- Sustainable Swansea has delivered close to £70 million worth of savings and contributed to service reform and that some of the reviews highlighted the Council offers competitive services with value for money.
- A number of queries about the report were made in regards to how well the progress made met achieved the intended outcomes. These will be set out in a letter to the Cabinet Member for response.

44 Letters

No comments were made on the attached letter to Cabinet Members.

45 Work Plan

No comments were made on the Work Plan.

The meeting ended at 11.56 am

Chair