



Dinas a Sir Abertawe

Hysbysiad o Gyfarfod

Fe'ch gwahoddir i gyfarfod

Panel Perfformiad Craffu - Gwella Gwasanaethau, Adfywio a Chyllid

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

Dyddiad: Dydd Mawrth, 14 Tachwedd 2023

Amser: 10.00 am

Cynullydd: Y Cynghorydd Chris Holley OBE

Aelodaeth:

Cynghorwyr: P M Black, C M J Evans, E W Fitzgerald, T J Hennegan, P R Hood-Williams, L James, D H Jenkins, M H Jones, M Jones, S M Jones, J W Jones, M W Locke, B J Rowlands, W G Thomas, M S Tribe a/ac T M White

Agenda

Rhif y Dudalen.

- 1 Ymddiheuriadau am absenoldeb**
- 2 Datgeliadau o fuddiannau personol a rhagfarnol**
www.abertawe.gov.uk/DatgeliadauBuddiannau
- 3 Gwahardd Pleidleisiau Chwip a Datgan Chwipiau'r Pleidiau**
- 4 Cofnodion** **1 - 3**
Derbyn nodiadau'r cyfarfod(ydd) blaenorol a chytuno eu bod yn gofnod cywir.
- 5 Cwestiynau gan y Cyhoedd**
Gellir cyflwyno cwestiynau'n ysgrifenedig i'r adran graffu craffu@abertawe.gov.uk tan ganol dydd ar y diwrnod gwaith cyn y cyfarfod. Cwestiynau ysgrifenedig sy'n cael blaenoriaeth. Gall y cyhoedd ddod i'r cyfarfod a gofyn cwestiynau'n bersonol os oes digon o amser. Mae'n rhaid bod cwestiynau'n berthnasol i eitemau ar ran agored yr agenda a byddwn yn ymdrin â hwy o fewn cyfnod o 10 munud.
- 6 Monitro Refeniw a'r Gyllideb Gyfalaf - Chwarter 1af 2023/24** **4 - 21**
Y Cynghorydd Rob Stewart - Aelod y Cabinet dros yr Economi, Cyllid a Strategaeth
Ben Smith – Cyfarwyddwr Cyllid / Swyddog A151

- | | | |
|-----------|--|----------------|
| 7 | Diweddariad ar Brosiect Adfywio - Skyline
Y Cynghorydd Robert Francis-Davies – Aelod y
Cabinet dros Fuddsoddi, Adfywio, Digwyddiadau a Thwristiaeth
Phillip Holmes - Pennaeth Cynllunio ac Adfywio'r Ddinas
Lee Richards – Arweinydd Tîm Canol y Ddinas | 22 - 25 |
| 8 | Cynllun Gwaith | 26 - 28 |
| 9 | Llythyrau | 29 - 37 |
| 10 | Gwahardd y Cyhoedd | 38 - 41 |
| 11 | Diweddariad ar Brosiect Adfywio - Skyline | |
| 12 | Datblygiad Bae Copr (Llafar) | |

Cyfarfod nesaf: Dydd Mawrth, 12 Rhagfyr 2023 am 10.00 am

Huw Evans

Huw Evans
Pennaeth y Gwasanaethau Democrataidd
Dydd Mercher, 8 Tachwedd 2023

Cyswllt: Swyddog Craffu - 01792 636292

Agenda Item 4



City and County of Swansea

Minutes of the **Scrutiny Performance Panel - Service Improvement, Regeneration and Finance**

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

Tuesday, 17 October 2023 at 10.00 am

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

P M Black
L James
M Jones
M W Locke

Councillor(s)

C M J Evans
D H Jenkins
S M Jones
W G Thomas

Councillor(s)

E W Fitzgerald
M H Jones
J W Jones
T M White

Other Attendee(s)

Cllr Elliott King

Cabinet Member for Culture, Human Rights and Equalities

Jeff Brown

Audit Wales

Bethan Roberts

Audit Wales

Officer(s)

Richard Rowlands
Karen Gibbins
Bethan Lee

Strategic Delivery & Performance Manager
Library Service Manager
Principal Librarian

Apologies for Absence

Councillor(s): M S Tribe

20 Disclosures of Personal and Prejudicial Interests

There were no disclosures of Personal and Prejudicial Interests.

21 Prohibition of Whipped Votes and Declaration of Party Whips

None.

22 Minutes

Minutes of the previous meeting were agreed.

23 Public Questions

There were no public questions received.

24 Audit Wales Report - Setting of Wellbeing Objectives

Jeff Brown attended to present the report from Audit Wales and Richard Rowlands gave feedback on the Council response to the report. The following was noted –

- This report is part of a rolling programme where the Auditor General must assess the extent to which bodies have acted in accordance with the sustainable development principle in setting their well-being objectives.
- Audit Wales stated that Swansea Council has applied the sustainable development principle in setting its well-being objectives and embedding its approach to engagement and performance monitoring will further strengthen this.
- Audit Wales provided examples of good practice and areas of improvement from Swansea Council as a summary of the report.
- Whilst the report reflects that the Swansea Councils consultation did not reflect the full diversity of the population, there was reflection that public consultation can be challenging and there is currently no existing benchmarks for public consultation.
- The Council was pleased with the report. It recognises the suggested areas for improvement and has made progress in these. Engagement methods are currently being increased and expanded and performance measures have recently been reviewed however a national outcomes framework would be beneficial.

25 Welsh Public Library Standards Annual Performance Report

Cllr Elliott King introduced the Annual Report with Karen Gibbin and Bethan Lee. The following was noted-

- The Panel were presented with the Welsh Public Library Standards, Welsh Government assessment for Swansea Libraries for 2021-22 and the library service submission for 2022-23.
- Swansea libraries are still recovering from affects of the Covid pandemic and have not yet reached pre covid levels of usage, however usage is increasing.
- Swansea reinstated library fines in April 23 due to a revenue budget income target for overdue book fines.
- Library services highlighted the following, work with the Good Things Foundation, the Education Programme for Patients, an increase in Wi-Fi usage over PC usage, printing services, reservation services, warm spaces initiative, work with schools and an increase in bilingual services and resources in other languages.
- The Central library will be moving to Y Storfa will be aided by a Welsh Government Grant for £300,000 covering new shelving and digital equipment.
- A building conditions audit has been carried out and that work is being considered as part of the wider mapping process around the Community hubs model.

26 Work Plan

The work plan was noted.

27 Letters

The meeting ended at 11.25 am

Chair

Agenda Item 6

Report of the Cabinet Member for Economy, Finance & Strategy

Cabinet – 19 October 2023

Revenue and Capital Budget Monitoring 1st Quarter 2023/24

Purpose:	To report on financial monitoring of the 2023/24 revenue and capital budgets, including the delivery of budget savings.
Policy Framework:	Budget 2023/24. Transformation and Future Council
Consultation:	Cabinet Members, Corporate Management Team, Legal and Access to Services.
Recommendation(s):	It is recommended that Cabinet: 1) Notes the comments and variations, including the heightened material uncertainties, set out in the report and the actions in hand to seek to address these. 2) Approves the virements and the use of the Contingency fund as set out in 3.2 and the Inflation provision as set out in 4.3 subject to any further advice from the S.151 officer during the year. 3) Cabinet 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. 4) Note the indicative overspend in 6.1 with further actions to be confirmed in subsequent quarters once it is clearer as to the likely final cost of the pay award pending.
Report Author:	Ben Smith
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar

1. Background and Introduction

1.1 This report details forecast variations from the agreed budget for 2023/24.

- 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 2023
 - 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.
- 1.4 The implementation of Oracle Fusion has delayed reporting by one monthly cycle but is now working sufficiently well enough to give assurance to the S151 Officer that the finance and performance reporting process is working in line with previous expectations. The remaining issues are considered not fundamental to the core budget monitoring and reporting on the financial position.
- 1.5 There is also, as members will be aware widescale reporting of financial pressures especially in England. Risks are growing for the whole of local government and whilst the Council has high earmarked reserves, with an equally ambitious set of spending plans to match, it has especially low General Reserves already at the absolute minimum of acceptability to the S.151 Officer. In line with all other councils, it is now rapidly reviewing once again equal pay claims and potential liabilities. At this stage a new pay liability, even if it were proven fully needed (and it is indeed contingent on other events first), could likely be covered by a raft of financial measures available to the S151 Officer to recommend to Cabinet. If ultimately required.

2. Revenue Outturn Forecast Based on 1st Quarter Position

- 2.1 Appendix 'A' to this report details the approved Revenue Budget for 2023/24 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 small surplus in 2022/23 of £32k). At present, break-even is assumed, but there may be some scope for a repeated surplus given a very prudent (lower) level of collection rate was set for 2023/24.
- 2.3 The overall Directorate position is summarised below:-

DIRECTORATE

	FORECAST VARIATION 2023/24 £000
CORPORATE SERVICES	-281
FINANCE	-744
SOCIAL SERVICES	3,106
EDUCATION	2,950
PLACE	8,446
NET SERVICE EXPENDITURE	13,477

- 2.4 Directors' comments on the above variations are shown at Appendix B.
- 2.5 Within the *Successful and Sustainable Swansea Corporate Transformation Plan*, 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 service overspend for the year of £13.477million but this will ultimately be heavily influenced by the final pay award once resolved.
- 2.7 Services are now operating business as usual but there will be an ongoing impact from Covid for example where income levels have not recovered fully.
- 2.8 Service variations currently assume the existing local government pay offer will be implemented as is at some point (an average 7% pay award but with wide variations between grades). The pay offer from the Employers remains a flat rate £1,925, which was budgeted for, but all recognised Trade Unions are in dispute with national employers and no resolution is in sight. This is considered the minimum likely award with all risk to the upside and it is why residual sums are being held as a hedge against a higher final deal. Vehicle fuel costs are already feeding into reported forecast overspends in some areas (home to school transport and bus services support) 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, because of material and **one-off** earmarked use of reserves to provide for **one-off** enhanced central inflation budgets, the position remains extremely volatile and challenging for new energy forward purchases and will undoubtedly be a very significant burden on future year base budgets (£millions).
- 2.9 Corporate Management Team has re-enforced the current arrangements for budget monitoring in particular:
- focus on a range of corrective actions;
 - 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 pending unfunded substantially higher than expected national pay award

- but recognising that the overall spend pressures are near wholly post-Covid or pay award related and that reserves were bolstered to temporarily assist with such pressures.

2.10 Offsetting opportunities do exist to temporarily ameliorate the currently identified service demand and price pressures as follows.

- £20.330m was set aside mostly **one-off** to meet any significant inflationary increases arising in year, specifically for the increased energy costs. Given the overall financial projection at this stage, it is proposed by the S.151 officer that any residual sum 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 2023/24

3.1 The Contingency Fund budgeted contribution was set at £6.118m contribution for 2023/24 as set out in the budget report approved by Council in March 2023. There was no balance brought forward from 2022/23 as the Contingency Fund was fully utilised, so the total available for use in 2023/24 remains at £6.118m.

3.2 The current potential calls on the Contingency Fund for 2023/24 are:

Contingency Fund 2023/24	2023/24 (£m)
Budgeted contribution for year.	6.118
Funding Agreed deferred specific savings as per Council decision 2 nd March 2023	-0.901
Corporate Services Items -various one off items reflecting known cost pressures (inc. coroners costs, card processing fees) – to be addressed in base in future years	-0.330
Corporate Services - Auditel costs to improve hybrid meeting functionality/stability	-0.027
Corporate Services make good slight shortfall on already agreed Recovery Fund Scheme to support occupational health expansion	-0.018
Potential legal costs – litigations and mitigations	-0.500
Place Services additional costs as per Exempt Cabinet Decisions in year – Regeneration activity	-0.825
Defibrillators - additional roll out	-0.075
Earmarked for as yet unknown final pay costs	-3.442
Balance 31st March 2024	0.0

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 1st April 2023 the balance of the Restructure Reserve was £2.8m, however on 20th April 2023 Cabinet agreed the use of £2.433m of this for the Workforce and Digital Transformation programmes, leaving a balance of £0.367m to contribute toward ER/VR or other cost risks that may arise in 2023/24. The S.151 officer remains satisfied that this is sufficient for 2023/24 taken in conjunction with the balance 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 either within Services or from existing earmarked reserves.

Based on current forecast the S.151 officer proposes to utilise the current year forecast underspend on the Contingency Fund of up to £3.442m to provide additional mitigation, together with the forecast unused element of the inflation provision of £3.649m (some £7.091m in total) toward the potential unfunded element of the 2023/24 pay issues.

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 2024/25 and do not solve the inflationary pressures, merely defer most of the problem a year.

However, the S.151 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 2023/24, 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 and the enhanced **one-off** central inflation provision. Any inroads to net spending will reduce the necessary draw from reserves and increase the amount of reserves available to carry into 2024/25.
- 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.
- 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 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 VAT related claims when applicable, there is NO certainty of windfalls from VAT refunds or any other external source being received in the current year.

4. Inflation Provision 2023/24

4.1 The 2023/24 budget includes a provision of £20.330m for both inflation (£19.330m) and the Apprenticeship Levy (£1m). This was increased specifically because of the levels of general inflation forecast for 2023/24 and because of the unprecedented energy price rises.

4.2 The Apprenticeship Levy funding will be wholly needed for the Levy this year, with no underspend available to fund service overspending.

4.3 The current potential calls on the Inflation Provision are as follows:

Inflation Provision 2023/24	2023/24 (£m)
Budgeted contribution for year.	19.330
Social Care Energy Costs	-1.000
Education Home to School Transport Costs	-1.000
Schools Energy Costs	-6.000
Council as Corporate Landlord Energy Costs	-6.000
Community Groups Energy Costs support	-0.250
Freedom Leisure Energy Costs support	-1.021
Wales National Pool Energy costs support	-0.200
Arena Energy Costs support	-0.210
Balance 31st March 2024	3.649

5. Savings Tracker 2023/24

5.1 Since the onset of the COVID pandemic, the service savings built into the annual budget have not been specifically and separately monitored. As the budget has been underspent in each year then the savings have been assumed to be met.

5.2 As the operation of the Council is now back to “business as usual” the monitoring of specific savings has resumed. In line with the monitoring process pre-pandemic, each Director monitors and reports on progress of individual savings. A summary of this progress is attached at Appendix C.

- 5.3 The summary shows that against a savings target of £21.9m, £15.4m or some 70% is forecast to be achieved by the end of the year.
- 5.4 In addition to the list of savings deferred one year at Council in March 2023, any minor previous savings proposed funded temporarily in year from contingency as part of Cabinet budget monitoring reports will be treated as equivalently deferred and removed from the target.

6. Revenue Budget Summary

- 6.1 The position reported above reflects the best-known current position and shows a net £13.477m shortfall in service revenue budgets, where £4.8m relates to energy costs which is currently being provided for within the inflation provision. After taking this into account there is a net shortfall of £8.677m. This is as a result of pressures mainly in the care sector and home to school transport.

Summary

	£'m
Service Forecast overspend	13.477
Additional estimated costs arising from the latest pay issues	7.091
Less Mitigating	
Inflation provision earmarked for energy costs included above	-4.800
Contingency Fund and Inflation provision balances after assumed use, to be utilised for potential pay issues	-7.091
Net overspend forecast	8.677

- a. 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 S.151 Officer.
- b. Included in the projected budget for 2023/24 for other corporate items are capital finance charges. At this stage there is a likely £5m minimum underspend on capital finance charges and any underspending will be transferred at year end to the capital equalisation reserve, a strategy previously agreed by Council. This will be reviewed and updated during the year as emerging capital demands arise (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.
- c. 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 is, as yet, no resolution to the 2023/24 national local government/teachers' pay award (average 7% budgeted). Current

mitigation for the shortfall in funding over this budgeted amount is proposed as utilising the currently un-allocated elements of both the Inflation and Contingency provision.

- d. Detailed monitoring of budgets will continue and will be reported to the monthly Departmental Performance and Financial Management meetings.
- e. It remains imperative that sustainable base budget savings are found to replace in year one off actions to stabilise the 2023/24 budget ahead of the 2024/25 budget round.

6.2 Costs in the delivery and implementation of the Oracle Fusion ICT project estimated arising directly as a result of delays related mostly to the pandemic will need to be funded during 2023/24. The S.151 officer proposes to meet these costs from reserves already established and carried forward. A separate project update report is considered elsewhere on this Cabinet agenda.

7. Capital Budget

7.1 Expenditure to 30th June 2023 is £13.606 million, summarised as follows:

Directorate	Budget 2023/24	Actual to 30/06/23	% Spend
	£'000	£'000	
Corporate Services	2,847	166	5.8%
Finance	0	0	0.0%
Education	6,651	456	6.9%
Social Services	1,287	14	1.1%
Place (General Fund)	94,368	7,122	7.5%
Place (HRA)	50,851	5,848	11.5%
Total	156,004	13,606	8.7%

Expenditure on major capital schemes is detailed in Appendix D.

It should be noted that actual spend to June 2023 is provisional whilst the accounting period remains open.

First quarter expenditure figures are traditionally lower, in comparison to subsequent quarters. As more schemes get underway expenditure tends to increase in subsequent months.

Capital expenditure continues to be subject to the effects of inflationary pressures occurring within the general economy. Schemes and the associated costs remain under constant review with the aim of managing costs within expected budgets. However, material increases above 5% of the cost of a programme are required to be formally approved.

There is an expected impact on the revenue Capital Financing Charges in 2023/24 and future years.

8. Housing Revenue Account

8.1 The HRA has faced significant inflationary pressures over recent years. These pressures continue and have led to the need to increase revenue budgets

significantly for 2023/24. Higher than forecast increases in employee costs, increases in utility costs and in particular increases in materials costs for revenue and capital repairs has meant that there will be less financial resources available to the HRA to fund Capital projects in the medium and longer term.

8.2 The revenue repairs budget for 2023/24 has been increased by £4.4m however there are still significant additional demands on this budget. These include, the back log of repairs following Covid, additional spend on void repairs to speed up relet times because of the Homelessness crisis and the additional repair requirements of the Welsh Government's Renting Homes legislation. This budget will be closely monitored over the course of the year to ensure there is sufficient funding to meet these needs.

8.3 The current economic climate and cost of living crisis, along with Welfare Reform and the continued implementation of Universal Credit are impacting rent collection rates, and it is being closely monitored with measures employed to mitigate these impacts. During this quarter, rent arrears and the number of households in rent arrears have risen and it is projected they will continue to increase throughout this year. It is too early in the year to forecast the full impact on rent arrears and the budgeted Bad Debt Provision.

9. Legal Issues

9.1 There are no legal issues contained within this report.

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 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.

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 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 2023/24

Appendix B – Directors comments on variances and action plans

Appendix C – Savings Tracker

Appendix D – Expenditure on major Capital Schemes

REVENUE BUDGET PROJECTION QUARTER 1 2023/24

<u>DIRECTORATE</u>	BUDGET 2023/24 £000	PROJECTED 2023/24 £000	VARIATION 2023/24 £000
CORPORATE SERVICES	21,867	21,586	-281
FINANCE	33,738	32,994	-744
SOCIAL SERVICES	157,025	160,131	3,106
EDUCATION	214,453	217,403	2,950
PLACE	68,135	76,581	8,446
<i>NET DIRECTORATE EXPENDITURE</i>	495,218	508,695	13,477
SPECIFIC PROVISION FOR APPRENTICESHIP LEVY/INFLATION	20,330	11,881	-8,449
CONTINGENCY FUND	4,842	1,400	-3,442
<i>Estimated effect of Employers Pay Offer</i>	0	7,091	7,091
<i>OTHER ITEMS</i>			
LEVIES			
SWANSEA BAY PORT HEALTH AUTHORITY	89	89	0
CORPORATE JOINT COMMITTEE	212	212	0
CONTRIBUTIONS			
MID & WEST WALES COMBINED FIRE AUTHORITY	17,122	17,122	0
<i>CAPITAL FINANCING CHARGES</i>			
PRINCIPAL REPAYMENTS	15,574	15,574	0
NET INTEREST CHARGES	23,360	18,360	-5,000
<i>NET REVENUE EXPENDITURE</i>	576,747	580,424	3,677
<i>MOVEMENT IN RESERVES</i>			
GENERAL RESERVES	0	0	0
EARMARKED RESERVES	-17,213	-20,890	-3,677
<i>TOTAL BUDGET REQUIREMENT</i>	559,534	559,534	0
DISCRETIONARY RATE RELIEF	418	418	0
<i>TOTAL CITY AND COUNTY OF SWANSEA REQUIREMENT</i>	559,952	559,952	0
COMMUNITY COUNCIL PRECEPTS	1,829	1,829	0
<i>TOTAL REQUIREMENT</i>	561,781	561,781	0
<i>FINANCING OF TOTAL REQUIREMENT</i>			
REVENUE SUPPORT GRANT	339,280	339,280	0
NATIONAL NON-DOMESTIC RATES	79,002	79,002	0
COUNCIL TAX - CITY AND COUNTY OF SWANSEA	141,670	141,670	0
COUNCIL TAX - COMMUNITY COUNCILS	1,829	1,829	0
<i>TOTAL FINANCING</i>	561,781	561,781	0

Director's comments on budget variances

Director of Corporate Services

The budget position in the first quarter reports that the Corporate Services directorate is forecasting an underspend by the year end.

Variance (under -)/ overspend	£000	Explanation and Action
Director of Corporate Services	-121	Forecast underspend is a result of in-year efficiency measures within the directorate.
Communications and Marketing	-19	Net employee and Supplies and Services underspend across the services.
Digital and Customer Services	-74	Mainly due to a forecasted £250k underspend on ICT contracts, however, this may change by year end as it is dependent on tender negotiations. This is offset by a forecast £196k overspend on provision of business-as-usual support for the Oracle Fusion system.
Human Resources and Organisational Development	5	Compensating under and overspends on Employees and Supplies and Services.
Legal and Democratic Services	-72	Various forecast underspends on employee costs due to vacancies offset by forecast expenditure on external legal costs.
Total Forecast Variation	-281	

Director of Finance

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

Variance (under -)/ overspend	£000	Explanation and Action
Council Tax Reduction Scheme (CTRS)	-502	Demand led spending which continues to be carefully managed to contain costs. Demand is monitored monthly and is rising month on month and consequently the current year end forecast underspend may yet reduce further during the year.
Other variations	-242	Modest underspending across a range of employee and supplies and services costs.
Total Forecast Variation	-744	

Director of Social Services

Variance (under -)/ overspend	£000	Explanation and Action
Adult Services, Prevention and Tackling Poverty	3,408	£2.6m of these pressures relate to support for those with Mental Health and Learning Disabilities, with £1.8m of this attributable to the cost of external residential care. An overspend of £739k is forecast in respect of Direct Payment costs.
Child & Family Services	-422	A forecast staffing underspend of £1m has been offset by an expected overspend within Independent Placements.
Grants, Commissioning & Partnerships	-91	Underspends forecast in this area are attributable to staffing.
Integrated Services for Older People	318	We are forecasting overspends in respect of the Domiciliary Care and Residential Care that we commission. This is partially offset by forecast underspends for Direct Payments and within our own staffing establishment.
Resources Hub	-107	An underspend on staffing is currently forecast
Total Social Services	3,106	

Director's Comments

We are currently forecasting an overall overspend of £3.1m for the Directorate. The largest area of overspend is Externally Commissioned Care and we have identified pressures across the Directorate that contribute to this in respect of both income and expenditure.

Whilst the overall forecast is that the Directorate will overspend, there are several significant underspends currently forecast with the majority pertaining to staffing. We are conscious of the impact of staffing vacancies and actions to fill vacant posts are a business priority. Current forecasts presume current vacancies will be filled on a timely basis.

We continue to focus on controlling our costs and maximising income from partners and grants. We will seek opportunities to use grant funding to offset core costs where this is allowable.

Director of Education

Variance (under -)/ overspend	£000	Explanation and Action
Vulnerable Learner Service	800	£740k of this overspend relates to Maes Derw/ PRU. This is due to overspends on staff/ agency and transport. There is also a projected overspend of £550k for additional teaching assistant hours at specialist teaching facilities (STFs) in schools to support individual learners. These are partially offset by forecast underspends due to some in-year grants offsetting core budget.
Education Planning and Resources	-1,015	A forecast underspend on maternity/ paternity and pension payments for schools, and also the Schools Meals Service, where income is achieved from the roll out of universal free school meals.
Achievement and Partnership Service	-120	Underspends forecast in this area are largely attributable to staffing and some supplies and services.
School Transport	3,285	We are forecasting overspends in respect of Home to School Transport again (covering all sectors - primary and secondary mainstream, special schools, and additional learning needs (ALN)).
Total Education	2,950	

Director's Comments

The Education Directorate is currently forecasting an overall overspend of £2.95m for the directorate. However, we will try to mitigate this by year end. The largest area of overspend is school transport with a predicted overspend of £3.3m, and this is mainly due to increases in fuel and contract prices. There has also been a steady increase in demand where ALN is concerned; pupils are placed into the most suitable setting based on their needs, which may be a distance from home, meaning transport costs are higher. We are in the process of reviewing our STF provision which should provide more local provision for learners. There are also a few savings targets for walking routes which require support and assessment from other service areas, that are taking longer than planned to consider.

The Vulnerable Learner Service and Pupil Referral Unit (PRU) is also predicting an overspend of £800k. This is largely due to the use of agency staff and transport of pupils. Overspending is being monitored and where appropriate changes made, namely, taking on temporary/fixed term staff to reduce agency costs. A review of the PRU provision is also underway, following a report to Cabinet in June 2023.

Whilst the overall forecast is that the directorate will overspend, this will be offset by several significant underspends in our forecast. Maternity/paternity and pensions for schools is volatile, and by the next quarter we will have a better understanding of demand and will have reduced expenditure which will be used to offset the predicted overspend. This supports the MTFP where £600k of savings have been allocated to these cost centres. We continue to focus on controlling our costs and maximising income from grants and will continue to use grant funding to offset core costs where this is allowable.

There are other areas of identified demand and cost pressures, in spite of the continuing delivery of the education strategy, but these are anticipated to be largely offset by further one-off managed savings in addition to those already reflected in the MTFP. However, the underlying base budget shortfall facing the Education portfolio budget, especially in relation to school transport, is a significant concern.

Director of Place

Variance (under -)/over spend	£000	Explanation and Action
Culture, Tourism, Sport & Leisure	280	National Waterfront Museum historic and inflationary pressures.
Housing and Public Protection	243	Due primarily to spend and income pressures in Cemeteries & Cremations. Mitigating measures elsewhere will improve year end position.
Economic Regeneration and Planning	220	Due primarily to lower Planning fee income and Swansea Market overspend. Some mitigation before year end but not in full.
Highways and Transportation	600	Operational and income pressures.
Waste Management, Parks and Neighbourhood Working	3,853	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	0	Break even predicted.
Corporate Property Services	3,250	£3,800k overspend on utilities (to be funded from central inflation as a temporary 'one-off') offset by additional income (£250k) and predicted NNDR underspend (£300k).
Total Forecast Variation	8,446	

Director's Comments

The Directorate is currently projecting a £8.446m overspend for the year ahead. This overspend is expected to reduce to £4.646m following a temporary 'one-off' virement from the central inflation reserve to offset spending pressures arising from increased utility costs. In addition, a number of significant budget pressures are noted and there will be use of budgeted contingency allocated to the Directorate in response to the ending of Welsh Government funding for loss of income and other impacts that continue in the period of recovery post Covid. The aim for the next 3 quarters will be to mitigate any Directorate overspends identified and minimise the call on contingency. 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, this key area of income will continue to be monitored closely. In addition, inflationary pressures continue to be experienced across all areas of the Directorate and we are mindful of possible implications from the annual pay award currently being negotiated nationally.

As is the case with any large directorate there are some other non-income related projected overspends, including costs associated with rising price of utilities, but as above and, whilst it can by no means be guaranteed, a net balanced budget remains the aim.

Overall Summary of Savings Achievement

Directorate	Savings TARGETS 2023/24 £'000					Total TARGET 2023/24 £'000
	Black	Red	Amber	Green	Blue	
Corporate Services	228	43	98	161	2,293	2,823
Finance (Including Council Tax Reduction Scheme)	0	185	1,491	104	530	2,310
Social Services (Including Poverty & Prevention)	0	650	350	2,550	2,550	6,100
Education	0	221	120	980	650	1,971
Place	733	690	1,087	2,565	3,630	8,705
Total	961	1,789	3,146	6,360	9,653	21,909
	Savings DELIVERY 2023/24 £'000					Total DELIVERY 2023/24 £'000
	Black	Red	Amber	Green	Blue	
Corporate Services	0	0	50	135	2,293	2,478
Finance (Including Council Tax Reduction Scheme)	0	0	1,356	104	530	1,990
Social Services (Including Poverty & Prevention)	0	0	200	2,550	2,550	5,300
Education	0	0	0	980	650	1,630
Place	0	0	0	398	3,630	4,028
Total	0	0	1,606	4,167	9,653	15,426
Overall Percentage Achieved	0%	0%	51%	66%	100%	70%

Appendix D

Capital expenditure on major schemes to 30 June 2023 (where spend greater than £250k)	£000's
Place	
City Deal - 71-72 Kingsway Offices	2,077
Palace Theatre Redevelopment	846
Cefn Hengoed Community Hub	371
Corporate Building Services (Including Schools)	886
Disability Facility Grants	625
Highways & Transport Vehicle Replacement	400
Seawall Repairs Mumbles	1,975
Landfill Gas Engine Replacement	329
HRA	
HRA Capital Programme (More Homes Schemes)	1,533
Wind and Weatherproofing	1,532
External Facilities	608
Adaptations	618
HRA Kitchens & Bathrooms	608

Total scheme value where spend greater than £250k

12,408

Agenda Item 7



Report of the Cabinet Member for Investment, Regeneration, Events and Tourism

Service Improvement, Regeneration and Finance Scrutiny Performance Panel - 14 November 2023

Skyline Update

Purpose	To update the working group on the Skyline Project
Content	The report sets out an overview of the Project to date.
Councillors are being asked to	Consider the information provided and give views
Lead Councillor	Cabinet Member for Investment, Regeneration, Events and Tourism, Cllr Robert Francis-Davies
Lead Officer	Mark Wade, Director of Place
Report Author	Lee Richards Tel: E-mail: Lee.Richards@swansea.gov.uk
Legal Officer	Debbie Smith
Finance Officer	Nana Boadu
Access to Services Officer	

1. Background

- 1.1 The Council received a direct approach from Skyline Enterprises Limited (Skyline), a global tourism leisure experience operator with operations in New Zealand, Canada, South Korea and Singapore, in 2017 to develop the land at Kilvey Hill into a visitor destination.
- 1.2 Since this time, Skyline has developed its proposals and accompanying business case, and the Council has agreed in principle to provide a serviced site and provide grant funding to Skyline for the Project, subject to internal and external governance, and the Council's terms being met.

- 1.3 Skyline is an experienced operator with an established track record internationally and the Swansea project will be its first venture in Europe. This would be a key win for the city and the wider economy bringing in much needed tourism.
- 1.4 The project has significant political support.
- 1.5 Skyline has stated its commitment to meeting the non-financial requirements of the Council, such as sustainability and Beyond Bricks Mortar.
- 1.6 Skyline has a UK based company, Skyline (Swansea) Limited, but its larger parent company, Skyline Enterprises Limited in New Zealand, will act as guarantor under the proposed lease.

2 Briefing/Main Body of Report

- 2.1 The Project will be located at Hafod Copper Works and Kilvey Hill, Swansea. It is intended that the Gondola will take visitors to/and from the Hafod Copperworks site to the top of Kilvey Hill where they will be able to take in the view of Swansea Bay and the city, as well as enjoying the food and beverage facilities, free play areas and experiencing the gravity-based leisure attractions on offer.
- 2.2 Other users of Kilvey Hill, such as walkers and mountain bikers, will also be able to access the top of the hill via the Gondola.
- 2.3 The proposed route for the Gondola will start at Landore Park and Ride and head up the west side of Kilvey Hill. It will not pass above any residential or commercial buildings.
- 2.4 Leisure attraction visitors will be able to descend from Kilvey Hill via three luge tracks, with a chairlift transporting people from midway down Kilvey Hill back to the top following their ride.
- 2.5 In addition to the Gondola and Luge, the Project will also have a Zipline and Sky Swing. Swansea would be the second location globally to have this new Zipline system, which is able to go round corners. The Zipline and Sky Swing are intended to complement the other attractions, creating a leisure destination for the city.
- 2.6 Free and unhindered public access to the hill will remain. As part of the project improvements will be made to the existing paths and trails. All current walking and mountain bike tracks will remain as they are, and the development would allow for increased access to the hill's peak through wheelchair and pram-accessible Gondolas.
- 2.7 Skyline has undertaken its Pre-planning Application Consultation in March of this year and held several Q&A sessions in Swansea. The planning application has been submitted and will soon be a live application.
- 2.8 The Council will soon progress the Public Open Space Notice for an area of land on Kilvey Hill that will be required to facilitate the Project.

2.9 Skyline proposal is to position the base station within the current Landore Park & Ride P&R area and include 270 car parking spaces.

2.10 Skyline has advised the cost of the Project has increased to £40m.

3 Conclusions/Key Points Summary

3.1 Skyline will now progress with its planning application. Skyline will now work up the next phase of the scheme to enable it to commence work onsite in next year.

4 Legal implications

4.1 As this report is for information there are no additional legal implications falling on the authority.

5 Finance Implication

5.1 As this report is for information there are no immediate or additional financial implications at this stage.

5.2 The future funding environment for grants, capital and revenue looks challenging for the Council and partners and the presumption is currently against any additional asks falling directly on the authority. Any that do emerge will continue to need a case by case investment decision by Cabinet having due regard to the balance of government funding, local taxation and spending choices between revenue and capital financing of borrowing and the offsetting saving needed to prioritise any one aspect of spend over another.

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:

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

6.1.2 Advance equality of opportunity between people who share a protected characteristic and those who do not.

6.1.3 Foster good relations between people who share a protected characteristic and those who do not.

6.1.4 Deliver better outcomes for those people who experience socio-economic disadvantage.

6.1.5 Consider opportunities for people to use the Welsh language.

6.1.6 Treat the Welsh language no less favourably than English.

- 6.1.7 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.

Background papers: None.

Appendices: None.

Agenda Item 8

Service Improvement, Regeneration and Finance Work Plan 2023/24

<p>Meeting 1 Tuesday 10am 27 Jun 2023</p>	<p>Last meeting of Service Improvement and Finance</p> <ul style="list-style-type: none"> • Road Repairs Cllr Andrew Stevens – Cabinet Member for Environment and Infrastructure Stuart Davies – Head of Highways and Transportation Bob Fenwick – Group Leader Highways Maintenance
<p>Meeting 2 Tuesday 10am 11 July 2023</p>	<p>Last meeting of Development and Regeneration</p> <ul style="list-style-type: none"> • Focussed Topic: Project Review - Swansea Arena Cllr Rob Stewart – Cabinet Member for Economy, Finance and Strategy Cllr Robert Francis-Davies - Cabinet Member for Investment, Regeneration & Tourism Lee Richards – City Centre Leader /Lisa Mart – Venue Director • Regeneration Programme / Project Monitoring Report Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Phil Holmes – Head of Planning and City Regeneration Huw Mowbray - Development and Physical Regeneration Strategic Manager
<p>Meeting 3 Tuesday 10am 5 Sept 2023</p>	<ul style="list-style-type: none"> • Revenue Financial Outturn 22-23 and Revenue Outturn 22-23 (Housing Revenue Account) Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Annual Performance Monitoring Report 2022/2023 Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager • Annual Review of Performance 2022/2023 Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager
<p>Meeting 4 Tuesday 10am 26 Sept 2023</p>	<ul style="list-style-type: none"> • Capital Outturn and Financing 2022/23 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Quarter 1 2023/24 Performance Monitoring Report Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager
<p>Meeting 5 Tuesday 10am 17 Oct 2023</p>	<ul style="list-style-type: none"> • Audit Wales Report – Setting of Wellbeing Objectives Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager • Welsh Public Library Standards Annual Performance Report Cllr Elliott King – Cabinet Member Culture, Human Rights and Equalities Karen Gibbins – Library Services Manager Bethan Lee – Principal Librarian
<p>Meeting 6 Tuesday 10am 14 Nov 2023</p>	<ul style="list-style-type: none"> • Q1 Revenue and Capital Budget Monitoring Report – 2023/24 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Regeneration Project(s) Update – Skyline/Copr Bay Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Phil Holmes – Head of Planning and City Regeneration Huw Mowbray - Development and Physical Regeneration Strategic Manager
<p>Meeting 7 Tuesday 10am 12 Dec 2023</p>	<ul style="list-style-type: none"> • Mid Term Budget Statement 2023/24 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer

	<ul style="list-style-type: none"> • Review of Revenue Reserves Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Recycling and Landfill - Annual Performance Monitoring Report Cllr Cyril Anderson– Cabinet Member Community Services Chris Howell – Head of Waste Management and Parks Matthew Perkins – Group Leader, Waste
Meeting 8 Tuesday 10am 16 Jan 2024	<ul style="list-style-type: none"> • Budget Proposals Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Q2 Revenue and Capital Budget Monitoring Report 2023/24 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Q2 Performance Monitoring Report 2023/24 Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager • Tourism Destination Management Plan Update Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Steve Hopkins – Tourism and Marketing Manager
Meeting 9 February 2024 Date TBC	<ul style="list-style-type: none"> • Pre-Decision Scrutiny of Cabinet Reports: Annual Budget / Medium Term Financial Plan Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Q3 Revenue and Capital Budget Monitoring Report 2023/24 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer
Meeting 10 Tuesday 10am 12 Mar 2024	<ul style="list-style-type: none"> • Regeneration Project(s) Update (To be decided) Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Phil Holmes – Head of Planning and City Regeneration Huw Mowbray - Development and Physical Regeneration Strategic Manager • Achievement against Corporate Priorities / Objectives / Policy Commitments for Development and Regeneration Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Phil Holmes – Head of Planning and City Regeneration Huw Mowbray - Development and Physical Regeneration Strategic Manager
Meeting 11 Tuesday 10am 9 Apr 2024	<ul style="list-style-type: none"> • Annual Review of Wellbeing Objectives and Corporate Plan Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Cllr Andrea Lewis – Cabinet Member for Service Transformation Richard Rowlands – Strategic Delivery & Performance Manager • Q3 Performance Monitoring Report 2023/24 Cllr David Hopkins - Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager
Meeting 12 Tuesday 10am 7 May 2024	<ul style="list-style-type: none"> • Planning Annual Performance Report Cllr David Hopkins – Cabinet Member for Cabinet Member for Corporate Services & Performance Phil Holmes – Head of Planning and City Regeneration Ian Davies - Development Manager Tom Evans – Place making and Strategic Planning Manager • City Centre Retail

	Councillor Rob Stewart – Cabinet Member for Economy, Finance & Strategy Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Paul Relf – Economic Development and External Funding Manager
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Welsh Housing Quality Standards Annual Update – WHQS has now been achieved therefore there is no update for 23/24 however new WHQS standards are due end of 2024 therefore update on new standards can be given in 24/25.

Annual Complaints Report – Moved to SPC

Welsh Language Standards Annual Report – Moved to SPC

Agenda Item 9



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

Please ask for:
Gofynnwch
am:

Scrutiny

Direct Line:
Llinell
Unioogyrochol:

01792 636292

e-Mail
e-Bost:

scrutiny@swansea.gov.uk

BY EMAIL

Date
Dyddiad:

19 October 2023

Summary: This is a letter from the Service Improvement, Regeneration and Finance Scrutiny Performance Panel to the Cabinet Member for Economy, Finance and Strategy concerning the meeting held on 26 September 2023 and the Capital Outturn and Financing 2022/23. This letter does not require a response.

Dear Councillor Stewart,

On the 26 September, the Service Improvement, Regeneration and Finance Scrutiny Performance Panel met to discuss the Capital Outturn and Financing 2022/23. The Panel are grateful to you and Ben Smith Director of Finance / Section 151 Officer for attending to discuss and answer questions.

The capital outturn position as at 31 March 2023 was reported as a net underspend of £28.8m. It was explained to us that due to the need for Cabinet to approve the underspend to be carried over into 2023/24 this outturn report was delayed and was therefore not able to be presented with the other outturn reports.

Since March several large-scale schemes have added to the programme due to material overspending or reprofiling. The officer informed us that the first quarter budget report of 2023/24 due to Cabinet in October will reference a capital programme for the current year in excess of £150m. This has been complicated by some significant cost overruns, which the officer referenced has affected many Councils and the additional impact of challenges faced with the Copr Bay development.

We asked whether the overspend has had opportunity to accrue any interest. The officer informed us that any monies not spent on the capital programme will be earning over 5% interest while interest rates stay at this rate until the money is spent where allocated within the capital programme. Although there is a clear benefit to slippage earning on good interest rates, we had concerns that this slippage and delay in project completion could cause increased costs. There have also been several projects that have required additional sums. The officer felt that there is a trade off to be made but there is confidence that the capital programme remains afforded and affordable. In addition, you shared that fixed price contracts with developers are secured where

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possible but there is a tension between the benefits of accruing interest on underspends offset by the potential of additional costs where there is no fixed price but overall, you felt the Council is managing an ambitious capital programme in difficult times.

We asked for the breakdown of £14m in unsupported borrowing which the report stated is a mix of General Fund and Housing Revenue Account (HRA). The officer provided us a written note on this after the meeting to inform us that of the £14.051m, £2.790m was used to finance the HRA directly in year (as the bulk of HRA capital financing is from direct revenue contributions to capital in line with the agreed HRA budget strategy). The balance and therefore bulk was charged predominantly in year to General Fund but also opportunity was taken to draw down and tidy up some long-standing minor residual balances of contingency sums and old schemes. We further queried the breakdown of the remaining unsupported borrowing not attributed to HRA and were informed that this is not specifically itemised. The residual programme is managed as whole once certain schemes have been funded by specific grants e.g. active travel. It is likely that the remaining unsupported borrowing is made up of local regeneration activity and cost overruns.

We asked if the revenue contributions to capital were from an underspend on contribution to the Capital Equalisation Reserve and were informed this is not the case as this is a revenue reserve and dealt with in the revenue outturn report. We also confirmed with the officer that capital receipts were across all Council services.

Your Response

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

Yours sincerely,



Councillor Chris Holley

Convener, Service Improvement, Regeneration and Finance Scrutiny Performance Panel

✉ cllr.chris.holley@swansea.gov.uk



To:
**Councillor David Hopkins,
Cabinet Member for Corporate
Services and Performance**

*Please ask for:
Gofynnwch
am:*

Scrutiny

*Direct Line:
Llinell
Uniongyrochol:*

01792 636292

*e-Mail
e-Bost:*

scrutiny@swansea.gov.uk

BY EMAIL

*Date
Dyddiad:*

19 October 2023

Summary: This is a letter from the Service Improvement, Regeneration and Finance Scrutiny Performance Panel to the Cabinet Member for Corporate Services and Performance concerning the meeting held on 26 September 2023 and the Quarter 1 Performance Monitoring Report 2023/24. This letter does not require a response.

Dear Councillor Hopkins,

On the 26 September, the Service Improvement, Regeneration and Finance Scrutiny Performance Panel met to discuss the Quarter 1 Performance Monitoring Report 2023/24. The Panel are grateful to you and Richard Rowlands, Corporate Performance Manager for attending to discuss and answer questions.

You highlighted several factors affecting performance in the first quarter including workforce challenges, effects of the pandemic, high inflation rates and the cost-of-living crisis. The officer reported 19 Indicators that met or bettered their targets, 3 indicators were within 5% of the target and 6 indicators that missed their targets. An additional 5 indicators had no target in this quarter.

We have ongoing concerns with sickness levels however we note there has been a small improvement. You mentioned working closely with trade unions on this matter as well as the continuing impact of Covid. You suggested inviting officers to a future meeting to discuss the work that is being carried out in this area which we plan to tie in with the next quarter monitoring report.

We noted the new suite of indicators for Nature Recovery and Climate Change, the officer highlighted the challenge to strike a balance with indicators that can be confidently reported, clearly defined and have robust data. We were concerned however that some indicators were too broad. Habitat, biodiversity and pollution levels are all areas that merit monitoring and if they fit the above criteria should be considered as indicators in this section.

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Your Response

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

Yours sincerely,

A handwritten signature in black ink, appearing to read 'C. Holley', with a stylized flourish at the end.**Councillor Chris Holley**

Convener, Service Improvement, Regeneration and Finance Scrutiny Performance Panel

✉ cllr.chris.holley@swansea.gov.uk



To:
**Councillor David Hopkins,
Cabinet Member for Corporate
Performance**

BY EMAIL

*Please ask for:
Gofynnwch
am:*

*Direct Line:
Llinell
Uniongyrchol:*

*e-Mail
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*Date
Dyddiad:*

Scrutiny

01792 636292

scrutiny@swansea.gov.uk

31 October 2023

Summary: This is a letter from the Service Improvement, Regeneration and Finance Scrutiny Performance Panel to the Cabinet Member for Corporate Services and Performance concerning the meeting held on 17 October 2023 and the Audit Wales Report – Setting of Well-being Objectives. This letter does not require a response.

Dear Councillor Hopkins,

On the 17 October, the Service Improvement, Regeneration and Finance Scrutiny Performance Panel met to discuss the Audit Wales Report – Setting of Well-being Objectives. The Panel are grateful to Richard Rowlands, Corporate Performance Manager for attending and appreciated the opportunity to hear Audit Wales present their report findings and ask questions.

Audit Wales informed us that overall, Swansea Council has applied the sustainable development principle when setting its new well-being objectives and embedding its approach to engagement and performance monitoring will further strengthen this. Audit Wales shared good practice from Swansea Council including the robust setting and selecting of wellbeing objectives, good understanding of how wellbeing objectives support national goals and ensuring that the corporate plan is set in the context of available resources to deliver well-being objectives.

There are opportunities for the Council to develop processes further and Audit Wales focussed on three. These were, increasing the diversity of consulted citizens, strengthening how progress on outcomes is measured and expanding the range of outcome measures, and thirdly once the process of completing service plans has been carried out to look at the cumulative actions and measures to evaluate progress on well-being objectives.

The officer reported that the Council was pleased with the report and updated us on progress made with areas for improvement including the updated Consultation Engagement Strategy, digital panels, and the progress with co-production. We noted that consultation is a challenging area for many Councils. We asked Audit Wales for clarity on expectations of diversity and additionally, what is their benchmark for

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consultations. Audit Wales informed us there is no formal benchmark and that this is mainly judged on offering a broad range of engagement activity. Regarding diversity, Swansea Council was found to have lower engagement levels of older citizens. In both cases Audit Wales preferred to base its judgement on effort to engage rather than numbers engaged. We felt that in absence of a benchmark examples of good practice would be useful. Audit Wales have agreed to consider sharing examples of good practice in engagement in future. The officer felt that a national outcomes framework would be helpful, and benchmarking has become more difficult since the removal of the public accountability measures.

We asked whether Integrated Impact Assessments are an adequate means of monitoring well-being objectives and were informed that they are viewed as the start of a process to provide evidence of a report considering well-being objectives followed by further monitoring, self-assessments, and performance reports.

We were interested in how future financial challenges will be balanced against the need to meet well-being objectives and how this could be viewed by Audit Wales. Audit Wales recognised the competing pressures, who will measure well-being objectives realistically against funds available. The officer highlighted internal work from financial officers who have established processes in place to ensure that the Council's financial resources are aligned to the achievement of the Council's well-being objectives and delivery of the statutory obligations. Additionally, financial resilience forms part of our corporate risk register.

Continuing this concern, we asked if any financial implications had been mapped out to cost out how much meeting the well-being objectives would be, for instance how much is being put towards investment in consultation. Audit Wales responded to say they have not carried out a financial impact assessment, but this would be something the Council may consider for themselves as part of an action plan for carrying out the recommendations. Although the Council officer could not offer a detailed response, said that financial implementation of the well-being objectives are assessed during the budget setting process.

Your Response

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

Yours sincerely,



Councillor Chris Holley

Convener, Service Improvement, Regeneration and Finance Scrutiny Performance Panel

✉ cllr.chris.holley@swansea.gov.uk



Councillor Elliott King
Cabinet Member for Culture,
Human Rights and Equalities

To: *Please ask for:*
Gofynnwch am:

Direct Line:
Llinell Uniongyrochol:

e-Mail
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Date
Dyddiad:

Overview & Scrutiny

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31 October 2023

BY EMAIL

Summary: This is a letter from the Service Improvement, Regeneration and Finance Scrutiny Performance Panel to the Cabinet Member for Culture, Human Rights and Equalities. The letter concerns the meeting held on 17 October 2023 and the Welsh Public Library Standards Annual Performance Report. A response is required by 21 November 2023.

Dear Councillor King,

On the 17 October, the Service Improvement, Regeneration and Finance Scrutiny Performance Panel met to discuss the Welsh Public Library Standards Annual Performance Report. The Panel are grateful to you, Karen Gibbins, Library Services Manager and Bethan Lee, Principal Librarian, for attending to discuss and answer questions.

We were pleased to hear about the hard work and post covid recovery of local library services with many of us sharing our praise, support, and positive experiences. We heard that despite an increase, libraries have still not reached post covid levels of use. We asked how long it might take to get back to pre-covid levels of usage and since the meeting, officers have shared with us usage data from the last 3 years. We heard that there is a trend to remove library book fines across Wales but in Swansea there is a large income pressure from the fines budget of about £50,000 and without an ability to offset that, fines in Swansea were reintroduced in April 2023.

The update highlighted some excellent work in Swansea libraries including engagement with the Good Things Foundation which gives members of the community data and devices, Education Programmes for Patients, which provides learning programmes to citizens managing chronic illnesses supported by longer book loans, the reservations service, warm spaces, and provision of period products.

We heard that results of the customer satisfaction survey were high with 95% saying the library has made a difference and 99% saying the library services is either good or very good. It was noted that the children's survey has received a lower completion

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rate. We suggested working with schools to support completion of the questionnaire when school groups visit.

The decline in PC use was noted with more users bringing their own devices and using Wi-Fi. This has led to a new printing service, allowing customers to print from a personal mobile device. While we support this new service, those of us who regularly use the libraries had not seen this advertised in library spaces and would encourage further advertisement.

We did note the report mentions there is an insufficient level of qualified staff according to the Welsh Government. In Swansea there are a limited number of jobs requiring library qualifications and therefore limited incentives for staff to gain qualifications in addition to a small training budget. Library services are going to look at apprenticeships going forward to resolve this in the longer term. We also added that from Panel Members experience in higher education, due to voluntary exit schemes there could be an increase in qualified librarians coming to the jobs market soon.

We were interested to know the usage of borrow box and whether levels had maintained since the pandemic. We are grateful to officers for sending us the usage data after the meeting. When asked about provision for those with hearing impairments, officers informed us that audio books work with hearing aids and if the hearing aid works with Bluetooth.

We noticed in the report that Central Library has applied for library of sanctuary status. We asked what this entailed and how this was assessed. The officer informed us that the submission has gone in with assessment due on the 31st of October with the aim of demonstrating a safe space for people regardless of country of origin. This includes adding to collections in languages used in Swansea other than English and Welsh. We were interested to explore diversity within the library service and officers reported this can be demonstrated by ensuring representation of authors who are from black and ethnic minority backgrounds, LGBTQIA plus and neurodiverse communities. They have also been reviewing older collections that may contain contentious or anti diverse messages. We were interested to know how an increase in use of the Welsh language across services has been measured and were informed this is demonstrated by making sure all published documents are bilingual as well as an increase in Welsh speakers amongst staff with rhyme times and children's activities provided in Welsh.

Regarding the move to Y Storfa, the officer reported that a Welsh Government grant of £300,000 will be used to provide library shelving and digital equipment. We queried the condition of several buildings with need of investment or renewal. Officers informed us that an audit of building conditions has been carried out. You added that there is a specific capital programme around the renewal replacement of libraries and that work is being considered as part of the wider work around the community hubs model.

We were interested to know more about introducing library services to children through engagement in schools. Officers reported there are good relationships between schools and libraries however schools within walking distance can benefit more than schools further away who rely on paying for transport to visit a library. In this case videos about library services can be sent to show in schools. Engagement with

secondary schools is generally harder. We are familiar with a scheme where a library has lent textbooks to schools and wondered this could be widened. Officers felt that in smaller libraries there may not be enough copies and wish to encourage lending directly to children rather than via the school, but many libraries do have good relationships with their local schools and would wish to help where possible.

We asked if there are plans for a Library of Things in Swansea and were informed that this sits with the poverty prevention team. It is unlikely there would be space in Y Storfa for this. You have offered to take this question back to poverty prevention and we would appreciate a written response regarding this.

We raised the issue of shared workspaces becoming a need and that libraries could be a potential location for this. You felt there was scope to explore this idea within the mapping exercise around Community hubs.

We expressed concern regarding the growth of the open plus card entry access system allowing for extended opening hours or to replace staff hours. Although the officer reported there was no plans to use open plus in Swansea there are considerations to trial self-service times in library spaces potentially in Y Storfa where spaces are monitored by security or other hub staff when library staff are not available. This would allow the library to be open 7 days a week. We were concerned that library spaces are not always easy to supervise, and the lack of library staff could encourage anti-social behaviour.

Your Response

We welcome your comments on any of the issues raised and request a formal response by 21 November in regards to the following –

- Response from the Poverty Prevention team regarding development of a Library of Things.

Yours sincerely,



Councillor Chris Holley

Convener, Service Improvement, Regeneration and Finance Scrutiny Performance Panel

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Agenda Item 10



Report of the Chief Legal Officer

Service Improvement, Regeneration & Finance Scrutiny Performance Panel – 14 November 2023

Exclusion of the Public

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

1. Introduction

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

2. Exclusion of the Public / Public Interest Test

- 2.1 In order to comply with the above mentioned legislation, the Panel will be requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.
- 2.2 Information which falls within paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended is exempt information if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 2.3 The specific Exclusion Paragraphs and the Public Interest Tests to be applied are listed in **Appendix A**.
- 2.4 Where paragraph 16 of the Schedule 12A applies there is no public interest test. Councillors are able to consider whether they wish to waive their legal privilege in the information, however, given that this may place the Council in a position of risk, it is not something that should be done as a matter of routine.

3. Financial Implications

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

4. Legal Implications

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

Background Papers: None.

Appendices: Appendix A – Public Interest Test.

Public Interest Test

No.	Relevant Paragraphs in Schedule 12A
12	Information relating to a particular individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 12 should apply. Their view on the public interest test was that to make this information public would disclose personal data relating to an individual in contravention of the principles of the Data Protection Act. Because of this and since there did not appear to be an overwhelming public interest in requiring the disclosure of personal data they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
13	Information which is likely to reveal the identity of an individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 13 should apply. Their view on the public interest test was that the individual involved was entitled to privacy and that there was no overriding public interest which required the disclosure of the individual's identity. On that basis they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
14	Information relating to the financial or business affairs of any particular person (including the authority holding that information).
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 14 should apply. Their view on the public interest test was that:</p> <ul style="list-style-type: none"> a) Whilst they were mindful of the need to ensure the transparency and accountability of public authority for decisions taken by them in relation to the spending of public money, the right of a third party to the privacy of their financial / business affairs outweighed the need for that information to be made public; or b) Disclosure of the information would give an unfair advantage to tenderers for commercial contracts. <p>This information is not affected by any other statutory provision which requires the information to be publicly registered.</p> <p>On that basis they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>

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