



**Dinas a Sir Abertawe**

**Hysbysiad o Gyfarfod**

Fe'ch gwahoddir i gyfarfod

## **Y Cabinet**

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

**Dyddiad:** Dydd Iau, 15 Chwefror 2024

**Amser:** 10.00 am

**Cadeirydd:** Cynghorydd Rob Stewart

**Aelodaeth:**

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

**Gwyllo ar-lein:** <http://tiny.cc/Cab152>

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

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

Dywedwch wrthym erbyn canol dydd, ddeuddydd cyn y cyfarfod.

### **Agenda**

**Rhif y Dudalen.**

**1. Ymddiheuriadau am absenoldeb.**

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

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

**3. Cofnodion.**

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

**1 - 5**

**4. Cyhoeddiadau Arweinydd y Cyngor.**

**5. Cwestiynau gan y cyhoedd.**

Gellir cyflwyno cwestiynau'n ysgrifenedig i'r Gwasanaethau Democratiaid [Democratiaeth@abertawe.gov.uk](mailto:Democratiaeth@abertawe.gov.uk) hyd at ganol dydd y diwrnod cyn y cyfarfod. Bydd cwestiynau ysgrifenedig yn cael eu blaenoriaethu. Gall y cyhoedd ddod a gofyn cwestiynau'n uniongyrchol os bydd amser. Rhaid i gwestiynau fod yn berthnasol i'r eitemau ar ran agored yr agenda ac ymdrinnir â nhw o fewn cyfnod o 10 munud.

6.	Hawl i holi cynghorwyr.	
7.	Adborth ar Graffu Cyn Penderfynu - Adroddiadau am y Gyllideb (Ilafar)	
8.	Cynllunio Ariannol Tymor Canolig 2025/26 - 2027/28.*	6 - 49
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11.	Cyfrif Refeniw Tai (CRT) - cyllideb refeniw 2024/25.*	134 - 143
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14.	Adolygiad Blynyddol o Daliadau (Gwasanaethau Cymdeithasol) 2022/23.	202 - 232
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18.	Cymeradwyaeth I Dderbyn Grant - Cronfa Cymhelliad Ariannol Cartrefi Fel Gorsafoedd Pwer y Fargen Ddinesig ac Ecosystemau Pontio Gwyrdd (GTE) - Prosiect Trawsnewid Tai a Chartrefi ar Gyfer Cenedlaethau'r Dyfodol.	271 - 276

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

**Cyfarfod Nesaf:** Dydd Iau, 21 Mawrth 2024 ar 10.00 am

*Huw Evans*

**Huw Evans**  
**Pennaeth Gwasanaethau Democrataidd**  
**Dydd Mercher, 7 Chwefror 2024**

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

# Agenda Item 3.



City and County of Swansea

## Minutes of the **Cabinet**

Multi-Location Meeting - Gloucester Room, Guildhall / MS

Teams

Thursday, 18 January 2024 at 10.00 am

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

**Councillor(s)**

C Anderson  
H J Gwilliam  
R V Smith

**Councillor(s)**

R Francis-Davies  
D H Hopkins  
A H Stevens

**Councillor(s)**

L S Gibbard  
A S Lewis

**Officer(s)**

Huw Evans  
Martin Nicholls  
Ben Smith  
Debbie Smith

Head of Democratic Services  
Chief Executive  
Director of Finance / Section 151 Officer  
Deputy Chief Legal Officer

**Also present**

Councillor(s): V M Evans

**Apologies for Absence**

Councillor(s): A Anthony and E J King

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## 91. Disclosures of Personal and Prejudicial Interests.

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

- 1) Councillor R V Smith declared a Personal & Prejudicial Interest in Minute 99 "Local Authority Governor Appointments" and stated that he had dispensation from the Standards Committee to stay, speak but not vote on matters relating to the Appointment of Local Authority Governors.
- 2) Councillor Cyril Anderson declared a Personal & Prejudicial Interest in Minute 99 "Local Authority Governor Appointments" and withdrew from the meeting prior to its consideration.
- 3) Huw Evans, Head of Democratic Services declared a Personal & Prejudicial Interest in Minute 99 "Local Authority Governor Appointments" and withdrew from the meeting prior to its consideration.

**92. Minutes.**

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

- 1) Cabinet held on 21 December 2023.

**93. Announcements of the Leader of the Council.**

The Leader of Council made no announcements.

**94. Public Question Time.**

No questions were asked.

**95. Councillors' Question Time.**

No questions were asked.

**96. Customer Charter and Service Standards Framework.**

The Chair of the Corporate Services & Financial Resilience Service Transformation Committee submitted a report that sought approval and adoption of the Customer Charter & Service Standards Framework.

**Resolved** that:

- 1) The Customer Charter & Service Standards Framework set out in Appendix A of the report be approved and adopted from 1 April 2024.
- 2) Authority be delegated to Directors and the relevant Cabinet Member, to make any minor changes to the Standards as appropriate and always in consultation with the Cabinet Member for Corporate Services & Performance (Joint Deputy Leader of the Council) and the Cabinet Member for Service Transformation (Joint Deputy Leader of the Council).

**97. Co-production Policy.**

The Chair of the Corporate Services & Financial Resilience Service Transformation Committee submitted a report that sought adoption of the Co-production Policy.

**Resolved** that:

- 1) The Co-production Policy be adopted.

**98. Annual Equality Review 2022/23.**

The Cabinet Member for Culture, Human Rights & Equalities submitted a report that sought to publish the Council's Annual Equality Review for 2022/23 in line with the Public Sector Equality Duty and reporting regulations for Wales.

**Resolved** that:

- 1) The report content be approved for publication.

**99. Local Authority Governor Appointments.**

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

**Resolved** that:

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

Brynhyfryd Primary School	Debbie Whyte
Newton Primary School	George Butterfield
Pontarddulais Primary School	Melissa Williams
Sea View Primary School	Cllr Cyril Anderson
Tre Uchaf Primary School	Katie Griffiths
Olchfa Comprehensive School	Cllr Mary Jones
Pontarddulais Comprehensive School	Cllr Philip Downing
YGG Bryniago	Elen Jones
YGG Pontybrenin	Huw Evans

**100. Maximising Education Other Than at School (EOTAS) Provision for Vulnerable Learners in Swansea Follow Up Report.**

The Cabinet Member for Education & Learning submitted a report that made recommendations for a revised model of delivery for the Maes Derw Pupil Referral Unit (PRU) following a period of consultation. The report also sought delegated powers to make the required changes following consultation.

**Resolved** that:

- 1) The proposed new model which has been developed, following a period of consultation with the Management Committee of Maes Derw Pupil Referral Unit and other relevant stakeholders, be agreed as the future delivery model for EOTAS services.

- 2) Authority be delegated to the Head of Vulnerable Learners Service in conjunction with the Cabinet Member for Education and Learning to make the proposed operational changes and carry out any further staffing consultations required and to review and refine the model on an ongoing basis as part of usual business.

#### **101. Future Plans for Special Schools in Swansea.**

The Cabinet Member for Education & Learning submitted a report that outlined the result of consultation and sought approval for publication of a statutory notice to amalgamate Ysgol Pen-y-Bryn and Ysgol Crug Glas into one Special School in September 2025 and relocate to a new purpose-built school whilst increasing capacity from April 2028.

**Resolved** that:

- 1) A statutory notice be published on the proposal to amalgamate Ysgol Pen-y-Bryn and Ysgol Crug Glas into one Special school in September 2025 on existing sites and relocate to a new purpose-built school whilst increasing capacity from April 2028 be approved.
- 2) Any objections received during the statutory notice period be considered by Cabinet and the outcome of the proposal be determined at the Cabinet meeting on 18 April 2024.

#### **102. Damp & Mould Policy for Council Properties.**

The Cabinet Member for Service Transformation submitted a report that provided details regarding a new proposed Damp and Mould Policy for Council properties. It is a Welsh Government requirement that all social housing providers have such a policy. The policy outlines how the Authority prevents the occurrence of damp and mould, how it responds to reported cases and the timeframes for inspecting and treating it.

**Resolved** that:

- 1) The Damp & Mould Policy be approved.

#### **103. Smart City Infrastructure Agreements.**

The Cabinet Member for Economy, Finance & Strategy, the Cabinet Member for Service Transformation, and the Cabinet Member for Environment & Infrastructure jointly submitted a report that sought approval of the City Deal initiative to sign agreements enabling Smart City Infrastructure on lamp posts and other street furniture.

Minutes of the Cabinet (18.01.2024)  
Cont'd

**Resolved that:**

- 1) The signing of agreements to enable Smart City infrastructure on lamp posts and other street furniture be approved.
- 2) Authority be delegated to the relevant Director & Cabinet Member to progress further roll-out of the infrastructure following the initial phase.

The meeting ended at 10.42 am

**Chair**

<b>Call In Procedure – Relevant Dates</b>	
Minutes Published:	<b>18 January 2024</b>
Call In Period Expires (3 Clear Working Days after Publication):	23.59 on 23 January 2024
Decision Comes into force:	24 January 2024

# Agenda Item 8.



## Report of the Section 151 Officer

Cabinet - 15 February 2024

### Medium Term Financial Planning 2025/26 to 2027/28

<b>Purpose:</b>	This Report sets out the rationale and purpose of the Medium Term Financial Plan and details the major funding assumptions for the period and proposes a strategy to maintain a balanced budget.
<b>Policy Framework:</b>	Medium Term Financial Plan and Budget Strategy
<b>Consultation:</b>	Legal Services, Access to Services, Cabinet Members and Corporate Management Team
<b>Recommendation(s):</b>	It is recommended that:  1) The Medium Term Financial Plan 2025/26 to 2027/28 be recommended to Council as the basis for future service financial planning.
<b>Report Authors:</b>	Ben Smith/Sarah Willis
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar

#### 1. Introduction and Background

- 1.1. Service and financial planning continues to be undertaken against a backcloth of increasing service pressures and demand. Again this year there is added pressure and uncertainty as we deal with a cost of living crisis and uncertain inflation levels. This has affected short-term planning and is expected to continue impact the budget in the medium term.



- 1.2. The Medium Term Financial Plan (MTFP) is an overarching strategy that:
- Covers three future years.
  - Forecasts future known additional spending requirements, likely resources and potential funding shortfalls.
  - Links to the Council's adopted transformation programme '**Transformation Strategy 2022-2027 and Beyond – Successful and Sustainable Swansea**' as a means of addressing future budget shortfalls.
  - Links to the Council's revised Corporate Plan, "Delivering a Successful and Sustainable Swansea" and the delivery of our top 6 priorities.
  - Has due regard to our duties under the Well-being of Future Generations Act 2015.

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

- 1.3. **It is important to understand that the MTFP does not constitute a formal budget in respect of the period 2025/26 to 2027/28 and as such the indicative annual assumptions included both within the projected spending pressures detailed in Sections 2 and 3 of this report, and the potential funding detailed in Sections 4 and 5, will be subject to a full review and decision making process as part of each of the annual Revenue Budget and Council Tax setting decisions.**
- 1.4. Instead, the MTFP is intended to outline, in broad terms, the specific service and funding issues over the three-year period and how the Council will, within its financial constraints, fund its priorities and achieve major service change and savings.
- 1.5. It is essential as a planning and review tool in order to assess, on an ongoing basis, base assumptions around service pressures and progress against delivery of savings.
- 1.6. The plan serves to highlight the trend for increasingly uncertain times ahead in terms of funding for this Council and Local Government in general, as well as the service pressures that the Council faces from rising demands and increases in demography, together with potential funding pressures arising from ambitious plans for capital development.
- 1.7. Importantly, it is essential that the MTFP is a 'living' document that is subject to regular review and revisions as more information becomes available and risks are updated. As such, it is anticipated that, along with close monitoring of the specific budget proposals and savings targets for 2024/25, further reports to Cabinet regarding the MTFP will be made as necessary. In particular, the Mid Term Budget Statement in the autumn of 2024 will provide a key update on the financial outlook and delivery of savings.

- 1.8. The MTFP is one of many documents that are produced in terms of financial planning and control. These include:
- The annual Revenue and Capital Budgets of the Authority
  - The annual HRA Capital and Revenue Budgets
  - The formal quarterly budget monitoring reports presented to Cabinet
  - The Mid-term Budget Statement intended to be produced each year as an aid to strategic review on progress
  - The Revenue and Capital Outturn Statements taken to Cabinet following year end
  - The Statement of Accounts produced and approved by Council annually.

- 1.9. The MTFP is intended to form a logical flow from an assessment of forecast resources over the medium term through each step of a structured planning process for future years and as such it specifically details:

Section 2	Overview of financial planning environment 2025/26 – 2027/28
Section 3	Detailed spending and resources forecast 2025/26 – 2027/28
Section 4	Strategy to address future savings requirements
Section 5	A summary of the Medium Term Financial Plan and the Transformation Strategy 2022-2027 and Beyond
Section 6	Medium Term Financial planning for Schools
Section 7	Risks and issues implicit within the MTFP
Section 8	Use of reserves
Section 9	Legal and Equalities implications

## **2. Overview of Financial Planning Environment 2025/26 to 2027/28**

- 2.1. The Medium Term Financial Plan (MTFP) report considered by Council on 2<sup>nd</sup> March 2023 included a service and financial overview. This was updated in the budget proposals report given to Cabinet in January 2024 and is updated further below.

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

- 2.2. The announcement of the provisional Revenue and Capital Settlement for 2024/25 resulted in an overall cash increase of £15.308m in 2024/25 compared to 2023/24. There have been no transfers into the settlement so far, although there has been an adjustment to the Aggregate External Finance Base, which has resulted in a reduction to the Settlement of £0.695m for Swansea. Whilst this is a welcome increase, it needs to be set in the context of the forecast cost of pressures faced by this Council – around £50m for 2024/25 alone.
- 2.3. The current economic climate continues to be uncertain, even more so at the moment, and the Welsh Government acknowledged in their letter to all Local Authorities that local government is facing significant pressures and difficult decisions. There is and will continue to be uncertainty over the UK's relationship with Europe and the impact on Wales post Brexit as well as the on-going impact of the COVID-19 pandemic. The Section 151 Officer stated

last year that the expectation is that the Welsh Government budget will be expected to reduce in real terms over the period of the MTFP, this prediction is becoming true as, notwithstanding the fact that the settlement is an increase in 2024/25 it is indeed a real-terms reduction, given the prevailing rates of inflation.

- 2.4. Of course, the level of Welsh Government devolved Block Grant is not the only determinant of Welsh Government support for Local Authorities. It is possible that further delegation and transfer of powers and rights from Westminster to Cardiff, together with further tax changing/raising powers, may impose greater or lesser financial risks to Welsh Government than is currently the case. There is also the fact that Welsh Government has to decide on its own cross-sectoral allocation of devolved funding to public services in Wales.
- 2.5. Whilst it is a positive provisional settlement for 2024/25, there is no certainty that it can continue at such a relatively high level in future years and, in addition to possible real terms reductions in future core funding, the Council also has a wide range of service and demographic pressures which will inevitably impact on demand for services. Equally clearly, there is a potential for further UK Government announcements to impact on costs borne by the Council, particularly in respect of any changes to taxation. The clear example is of the changes to the National Living Wage, which will add around £4.2m to the Council's annual costs.
- 2.6. As mentioned above, a further complicating factor over the period of the MTFP involves potential changes to devolved tax varying and raising powers from Westminster to the Welsh Government including a fundamental review of council tax, divergence in Non Domestic Rates and reliefs and future potential tourism levies. Whilst this notionally impacts primarily on individual taxation, change has the potential to impact directly on Local Authority budgets and risk.
- 2.7. In terms of core revenue funding, the provisional Revenue settlement issued by the Welsh Government in December 2023 gave a detailed settlement level for 2024/25 only, with no further information for future years. Whilst only indicative, the three-year settlement indication previously given has nevertheless been a very welcome tool to assist future forecasting by Authorities. As we are now at the end of the previous three-year settlement, forecasts for future years are even more uncertain and of a high-risk nature.
- 2.8. All this, of course, has to be set against a backdrop of significant global instability where events can impact significantly – and at short notice – on the UK economy and the overall UK economic outlook.
- 2.9. For the purposes of the planning assumptions, although future year indications are very helpful, they are only indications at an all Wales level. Swansea's actual increase could be higher or lower than the headline increase and as such it is good practice to forecast a range of potential funding scenarios, each of which will result in differing financial forecast for the Council over the period covered. The forecasts will be updated using the

mid-term budget statement to Council each year to reflect the best information available on a rolling basis. For the purposes of the MTFP, forecasts will be based around a range of scenarios between cash flat (0%), an increase of 2% and an increase of 4%.

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

Year	AEF Standstill @ 0% £'000	AEF Increase @ 2% £'000	AEF Increase @ 4% £'000
2024/25	0	8,700	17,300
2025/26	0	8,900	18,000
2026/27	0	9,100	18,800
<b>Cumulative</b>	<b>0</b>	<b>26,700</b>	<b>54,100</b>

Note that the above scenarios are based on the provisional AEF for 2024/25 of £433.590m as announced in December 2023.

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

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

- 2.11. During the timescale of the MTFP there are a significant number of events which could impact on some of the major assumptions made. These include:
- Any voluntary or joint arrangements, including regionalisation, in lieu of compulsory Local Government reorganisation in Wales,
  - Wider events that could impact on the Global economic position,

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

- 2.12. Following a highly unusual revision to the original provisional settlement issued by the Welsh Government, the indicated support for future General Fund Capital programme is £12.943 for 2024/25, an increase of £0.061m compared to 2023/24, which is still only just sufficient to meet the current budget allocations to cover core commitments.

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

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

As reported elsewhere on this agenda, in the Capital Budget & Programme 2023/24 – 2028/29 Report, there is an ambitious capital investment programme. This includes the continued investment in Swansea Schools, through the Band B phase of the 21<sup>st</sup> Century Schools Programme (now called the Sustainable Communities for Learning Programme) and major capital schemes flowing from the Swansea Bay City Deal including Swansea Central and wider regeneration.

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

- 2.13. Cabinet endorsed an uplift to the Sustainable Communities for Learning Programme envelope to £176m (from £149.5m) in September 2023, with a switch to wholly capital funding instead of using the Mutual Investment Model as previously agreed. The Band B Schools programme finishes on 31<sup>st</sup> March 2024 and, as detailed in a separate report on the agenda, Council is now required to submit a Strategic Outline Programme to the Welsh Government by 31<sup>st</sup> March for the next phase.
- 2.14. The capital financing strategy underpinning the capital budget seeks to maximise grants, supported borrowing, contributions and capital receipts in order to minimise the need to borrow. The borrowing requirement identified to support the capital programme is significant and shall require substantial revenue support to service. The revenue implications are reported in the Revenue Budget elsewhere on this agenda. The revenue implications are considered affordable and sustainable over the cycle of the programme.
- 2.15. As indicated above, the position remains that should such capital receipts not materialise the Council will have no option but to consider reductions in spend, seek alternative sources of funding or, as a last resort, consider additional borrowing which shall place a further burden on revenue finances.
- 2.16. In the recent past, the Council has sought to minimise its external borrowing by the use of internal funds, which is entirely consistent with good Treasury Management policy given historic low interest rates on investments and avoiding the 'cost of carry', which has served this Authority well. Sustained internalisation of borrowing requirement and the significant funding required for the capital programme from 2021/22 onwards and the planned medium term depletion of earmarked Reserves and Provisions means that externalisation of this funding became inevitable. This strategy has proved particularly beneficial to the Council's capital funding strategy as it took advantage of volatility in PWLB rates prevailing and undertook the required PWLB borrowing in 2021/22 at all-time low rates achieved by this Authority, therefore removing interest rate risk for the short medium term.

- 2.17. It remains the case that each year the Council sets aside a significant amount of money (c £18m 2022/23) called the Minimum Revenue Provision (MRP) towards the repayment of debt. This provision is in line with the Council's existing MRP Policy, which was revised in 2018/19. This effective repayment will have to be taken into account when evaluating overall borrowing levels and the ability to service any additional borrowing requirement.
- 2.18. The additional capital investment identified above will attract significant grant funding (especially 21st Century Schools/Sustainable Communities for Learning and Swansea City Region Deal and follow on regeneration), however the programme will still require a material unsupported borrowing to enable completion alongside the use of capital receipts as they are realised. Furthermore, some schemes have the potential to provide additional revenue streams of property income, or, subject to agreement, in due course, with Welsh Government, retained elements of non-domestic rates or possibly tax increment financing as further powers devolve to Welsh Government and then on to local government.
- 2.19. Notwithstanding this scale of ambition, each major scheme will, as always, be considered on the overall merits of each business case, both in capital cost, and revenue income streams where appropriate. Unsupported borrowing will be undertaken on a phased basis within the overall envelope for affordability.

### **3. Detailed Spending and Resources Forecast 2025/26 to 2027/28**

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

### **Projected Spending Pressures/Funding Deficiency 2024/25 – 2027/28**

	<b>Note</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Future cost of pay awards	1			
- Non Teachers		5,947	12,059	18,159
- Teachers		6,000	10,800	15,700
National Living Wage – pay bill	2	1,200	2,400	3,600
National Living Wage – contracts		4,400	9,400	14,400
Increase in Pension Costs	3	0	1,400	2,800
Teachers Pension Costs	4	0	0	0
Change to Inflation Provision	5	4,097	6,608	6,258
Capital charges	6	2,040	4,040	5,040
Use of Capital Equalisation Reserve	6	1,000	1,000	-4,000
Remove 2024/25 one-off temporary funding for Schools	7	-7,029	-7,029	-7,029
Remove 2024/25 one-off use of reserves for Schools	7	7,029	7,029	7,029
Add to/Reduce Contingency	8	249	-22	-469
Demographic and Service pressures	9	3,000	6,000	9,000
Mid and West Wales Fire authority Levy <b>(independently decided by the Fire Authority)</b>	10	1,000	2,000	3,000
Other Levies (Swansea Bay Port Health Authority and the Corporate Joint Committee)	10	11	22	33
Council Tax Support Scheme	11	1,500	3,100	4,700
Rebase ICT Cloud costs	12	400	400	400
Social Care extra money for Adults Services	13	2,500	2,500	2,500
Agreed Service Pressures	14	1,330	1,680	3,300
<b>Total known pressures / investment into services</b>		<b>34,674</b>	<b>63,387</b>	<b>84,421</b>
Total Savings Requirement	15	-17,694	-28,523	-30,874
<b>Net Funding Requirement</b>		<b>16,980</b>	<b>34,864</b>	<b>53,547</b>
Aggregate External Finance Increase @ 2% per annum	16	8,880	17,964	27,247
Council Tax Assumption at 5% (see Section 4)	17	8,100	16,900	26,300
<b>Total Resource Investment</b>		<b>16,980</b>	<b>34,864</b>	<b>53,547</b>

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

<b>Additional Money Available for Investment if 4% AEF (i.e. continues at similar level to current year increase)</b>		<b>8,500</b>	<b>17,500</b>	<b>26,900</b>
<b>OR</b>				
<b>Additional Savings needed if 0% AEF</b>		<b>-8,880</b>	<b>-17,964</b>	<b>-27,247</b>

Notes:

1. *The pay award figures represent a forecast increase of 2.5% for all staff, over the life of the MTFP.*
2. *Assumed increases due to implementation of National Living Wage - will affect contract prices and lower end of own pay scale.*
3. *The latest forecast from the triennial revaluation of the local government pension scheme effective from 1<sup>st</sup> April 2023 indicated a short-term reduction to the contributions made, which is expected to end in 2026/27 where the contributions are budgeted to begin to increase once more.*
4. *There will be a national 5% increase in Teachers Pension costs from 2024/25. It is expected that the funding for this cost will flow from the UK Government to the Welsh Government as a Barnett consequential and then to Schools post spring 2024. This money will be passported directly to Schools when it arrives. The amount is likely to be £5-6m for Swansea alone and could still arrive as block grant (our previous planning assumption) and added to cash limits or specific grant (shown net). It remains in the table above, unusually, even at zero for now as it will be material sum once quantum and funding mechanism confirmed.*
5. *Reflects the assumed minimum cumulative effect of contract inflation.*
6. *The additional estimated borrowing costs arising from the new and regional capital programme. Cabinet have prudently built-up earmarked reserves to reduce the impact of increased capital charges in respect of new schemes, and targeted use of these reserves is now being built into the MTFP.*
7. *The removal of temporary one-off funding from schools (and subsequent draw from reserves).*
8. *A small sum to be added to the contingency to allow for changes to (for example) the estimates on levies. Contingency will be reduced over the latter years of the MTFP reflecting the assumption that current economic turbulence will reduce over time.*
9. *Assumed Demographic and Service pressures mainly around Adult and Children's Services.*
10. *Estimated increases for Fire Authority Levy and Corporate Joint Committee Levy.*
11. *Reflects the assumed cost of Council Tax Support Scheme costs based on Council Tax increases as a planning assumption only at this stage.*
12. *To rebase permanently some demand led pressures in Corporate Services predominantly around ICT cloud provision.*



13. *Following the introduction of the new Social Care Levy additional funding for social care has been allocated.*
14. *The future year impact of service specific pressures agreed as part of the suite of 2024/25 budget reports.*
15. *The future year impact of service specific savings agreed as part of the suite of 2024/25 budget reports.*
16. *Estimated increase in AEF at 2% per annum.*
17. *Reflects the Council Tax assumption of 5% as detailed in Section 4.*

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

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

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

#### **4. Strategy to Address Future Savings Requirements**

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

- *The core future purpose of the Council*
- *The transformation of services and the model of delivery*

- *Greater collaboration with other councils and local organisations, community groups and residents*
- *And, above all, sustainable solutions with prevention at its heart.*

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

- 4.2. The Sustainable Swansea Strategy was agreed by Cabinet and reported to Council in October 2013 and over the course of the next ten years was refreshed, updated and built upon, to keep pace with the new challenges facing the Council.
- 4.3. In April 2023 there was a further report to Cabinet – *Successful and Sustainable Swansea Corporate Transformation Plan* – this corporate plan is the next phase in the council’s transformation journey and is structured under the six corporate priorities contained in the council’s corporate plan.
- 4.4. The focus of this plan is the achievement of the council’s vision, through the delivery of the most significant change programmes. Twelve programmes have been identified and the savings identified as part of the MTFP have been aligned with these programmes where applicable, whilst recognising that many savings do not involve transformation and as such are identified as ‘business as usual’ and sit outside the transformation programme.
- 4.5. These savings will evolve and change along with the programmes, but the initial allocation shows the following expectation against each programme in the transformation plan:

<b>Transformation Programme</b>	<b>Savings 2025/26 £'000</b>	<b>Savings 2026/27 £'000</b>	<b>Savings 2027/28 £'000</b>
Child and Family Services Transformation	150	150	150
Digital Transformation Programme	39	352	352
Future Community Hub Model	420	420	420
Future Waste Strategy	505	1,060	1,160
Net Zero 2030 Programme	300	300	300
Regeneration Programme	25	99	99
Transforming Adult Services	2,733	6,623	7,073
Transforming Additional Learning Needs	790	965	1,240
Right Schools in Right Places	10	20	30
More Homes Programme and Right Schools in Right Places	696	705	786
Business as Usual	4,606	8,158	9,545
<b>Total Savings Requirement (excluding Schools)</b>	<b>10,274</b>	<b>18,852</b>	<b>21,155</b>

## Our Service Priorities for 2024/25 and the MTFP Period

- 4.6. Although the Council is currently focused on a plan to save an additional £40m over the period of the MTFP (since revised as per the January 2024 Budget Proposals report to Cabinet), it is vital to continue to retain Member and management focus on the significant proportion of our budget that remains. Our gross budget is over £870m (excluding Housing Services (HRA)) and we spend just under £2.1m a day on services to residents.
- 4.7. The Council has clear and strong long term ambitions for Swansea and the proposals for savings must be seen in the context of the following:
- The Council's top 6 priorities and corporate plan for services to help deliver the well-being of future generations,
  - The application of the budget principles – which guides decision making
  - The ongoing and sustained real terms reduction in external funding and the need to meet known budget pressures.
  - All set within the context of the current cost of living crisis.
- 4.8. The Council's overall aim is to protect frontline delivery of services as far as possible. However, whilst many things are important, not everything can be a priority. It is important, therefore - particularly in the current climate of significantly stretched real term resources - to set out clearly our expectations on all services and relative priorities for funding in the context of the budget reductions that we face.
- 4.9. This requirement is illustrated sharply by the “gearing” effect of savings on services. In other words, if our current savings requirement (excluding schools) over three years was applied, for example, just to Place Services, the budget for this area would be severely reduced. Consequently, other areas such as Education and Social Care also need to face some relative real terms level of reduction over the next 3 years, given the relative size of their budgets. Equally, however, if the level of funding for 2024/25 were to be sustained in every future year, then these planning assumptions could be very fundamentally reshaped, and savings asks reduced or possibly even eliminated.
- 4.10. A statement of budget priorities and policy statements that flow from this is set out in **Appendix A**. This statement follows an assessment of services in relation to the following criteria:
- **Invest:** Services where the Council will increase levels of investment
  - **Maintain:** services where the Council will broadly maintain current level of spend in the medium term
  - **Remodel:** those services where the Council will reduce the current level of spend over the medium term.

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

## Potential Funding 2025/26 to 2027/28

- 4.11. The Revenue Budget report detailed elsewhere on this agenda identifies possible savings for the 2024/25 financial year. Some of these proposals will generate further savings in future years and so will contribute to the future years' savings requirement.
- 4.12. In addition, there are a number of service specific savings proposals that are being considered – it should be noted that these have not yet gone out to consultation, but will do so at the appropriate time.
- 4.13. These are detailed in Appendix B, but are shown in summary below:

	<b>Savings 2025/26 £'000</b>	<b>Savings 2026/27 £'000</b>	<b>Savings 2027/28 £'000</b>
<b>Future Year Impact of current (2024/25) proposals:</b>			
Corporate Services Total	78	113	118
Education Total	775	980	1,285
Finance Total	247	1,297	1,597
Place Total	1,150	1,636	1,717
Social Services Total	550	3,085	3,085
	<b>2,800</b>	<b>7,111</b>	<b>7,802</b>
<b>Future Proposals to be Considered:</b>			
Corporate Services Total	522	1,112	1,258
Education Total	975	1,255	1,545
Finance Total	93	93	93
Place Total	3,501	5,358	6,084
Social Services Total	2,383	3,923	4,373
	<b>7,474</b>	<b>11,741</b>	<b>13,353</b>
<b>Sub-total of Service Specific Savings (as per Appendix B)</b>	<b>10,274</b>	<b>18,852</b>	<b>21,155</b>
Schools*	7,420	9,671	9,719
<b>Total Savings</b>	<b>17,694</b>	<b>28,523</b>	<b>30,874</b>

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

- 4.14. In addition to savings proposals, Council Tax levels must be considered as part of the MTFP. Budgeted gross council tax yield for Swansea for 2023/24 is £141,670,000, which we have rounded to £142 million. This remains the gross yield on Council Tax and it must be borne in mind that any Council Tax increases results in a corresponding increase in the local cost of the Council Tax Support Scheme, (which has been taken account of in the spending pressures above). The Council Tax Base has been assumed to increase for 2024/25.

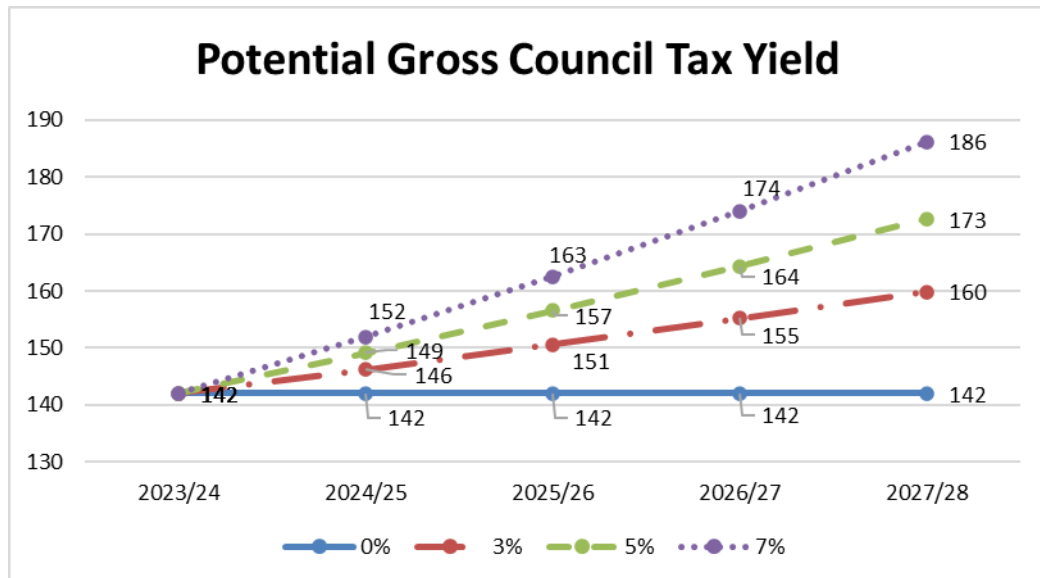
4.15. Policy decisions on the level of Council Tax will of course remain a matter for full Council to determine on an annual basis and it is always relatively challenging to set out a published range of Council Tax options years in advance. Therefore, what follows can only be an indicative assumption to give a plausible range of planning scenarios, to aid the overall understanding of the financial plan.

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

The following stylised planning assumptions are made:

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

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



## 5. Summary of the Medium Term Financial Plan and Successful and Sustainable Swansea

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

	<u>2023/24</u> <u>£'000</u>	<u>2024/25</u> <u>£'000</u>	<u>2025/26</u> <u>£'000</u>
<b><i>Cumulative Savings Requirement</i></b>	17,694	28,523	30,874

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

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

- The cumulative effect of any variation in these assumptions in early years
- The uncertainty around assumptions surrounding the latter years.

5.3. Notwithstanding that position, in addressing the ongoing budget deficit, the Council has a number of actions that it can take in terms of achieving a balanced budget. These include:

- Realisation of future years' budget savings arising out of previously agreed savings and 2024/25 consultation proposals,
- Additional Directorate/Service Area targeted savings as detailed in paragraph 4.13 of this report,
- Potential rises in Council Tax levels, as estimated in paragraph 4.15.

5.4. Bringing these items together, and assuming a balanced position for 2024/25, the following indicative position is envisaged:

	<u>2024/25</u> <u>£'000</u>	<u>2025/26</u> <u>£'000</u>	<u>2026/24</u> <u>£'000</u>
<b><i>Cumulative savings requirement</i></b>	17,694	28,523	30,874
<b><i>Future year impact of current service savings proposals</i></b>	-2,800	-7,111	-7,802
<b><i>Future year proposals to be considered</i></b>	-7,474	-11,741	-13,353
<b><i>Schools savings</i></b>	-7,420	-9,671	-9,719
<b><i>Remaining Gap at 2% AEF</i></b>	0	0	0

<b><i>Surplus at 4% AEF – which would be available to re-invest, reduce savings and/or lower council tax assumptions</i></b>	8,500	17,500	26,900
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- 5.5. In terms of addressing the overall budget, there are further options available to the Council that are not yet firm enough to be able to be included in the table above, but nevertheless are being worked through and considered for future inclusion.
- 5.6. These options include reviewing services and funding provided to schools, potential (but no commitment or decision yet to) inclusion of a Tourism Tax and potentially higher or lower than 5% increases to Council Tax. To some extent decisions around these proposals will also be reliant on the annual settlements received from the Welsh Government.
- 5.7. The Council will use the overarching Successful and Sustainable Swansea Transformation Programme when considering all options.

## **6. Medium Term Financial Planning for Schools**

- 6.1. The purpose of this section is to highlight the estimated effect of specific spending pressures and potential specific grant reductions on Schools' budgets in the light of funding assumptions detailed elsewhere in this report.
- 6.2. More specifically the Detailed Budget report to Council in respect of the 2024/25 Revenue Budget outlines the specific budget proposals for that year.
- 6.3. It is important to note that, given the size of the potential budget deficit facing the Council over the period of the MTFP, it is envisaged that Schools will be required to make some significant contribution to savings targets during this period.
- 6.4. Aside from this, the Council will continue to prioritise education funding and spending pressures and take into account the extent to which these can be met on annual resources available and competing spending needs. It should be noted that at present there is a contribution from Schools built into the budget forecast, however to some extent although this is a planning necessary intention of the Council if settlements prove low, whether this will happen in practice will be entirely reliant on future settlements from the Welsh Government and are likely to be reduced or removed if settlements prove higher than the central planning assumption for AEF.
- 6.5. In particular, it should be noted that due to recognition of the sizeable pressures faced by Schools in 2024/25 Cabinet are likely to recommend to Council that significant one-off funding is provided to Schools in 2024/25 only. This can only be afforded for one year as the allocation is funded from one-off contributions from reserves. The clear aim is to support and protect Schools in the short-term as much as possible, however the medium term impact is that this will significantly impact Schools unless significant additional funding is forthcoming from the Welsh (and ultimately UK) Government.

- 6.6. Neither the Revenue Budget nor the MTFP Reports include costs for the national 5% increase in Teachers Pension costs from 2024/25. It is expected that the funding for this will flow from the UK Government to the Welsh Government as a Barnett consequential, and then to Schools post Spring 2024.
- 6.7. It is essential that we continue to engage with Schools on a strategic review of provision as simply cutting budgets in real terms without otherwise doing so will simply not work.

## **7. Risks and Issues Implicit within the MTFP**

- 7.1. As stated throughout this report the financial risks facing the Council include:
- Assumptions around the core funding support from the Welsh Government being incorrect, particularly if overstated. This has become higher risk as the Welsh Government have not given any indication on future years funding.
  - Ongoing reductions in specific grants that require equivalent reductions in expenditure, often at short notice, which are both uncertain and unpredictable in terms of timing.
  - Delay or non-delivery of key savings strands which are essential to meet the projected service reductions identified in this report.
  - Significant further changes to Central Government fiscal policy with regard to the Public Sector.
  - The introduction of new legislation and statutory requirements that impose additional burdens on the Council.
  - The ongoing practical impact of legislation such as the Wellbeing of Future Generations (Wales) Act 2015.
  - The ongoing (and unknown) impact of the current cost of living crisis.
- 7.2. The table at paragraph 3.3 of this report outlining the potential budget shortfalls over the period of the MTFP contains a significant number of assumptions around future cost pressures, particularly with respect to pay awards, which may have a significant cumulative effect if not settled at the levels indicated. This has the potential to change significantly the projected deficit towards the end of the planning period.
- 7.3. The assumptions contained within the plan specifically assume:
- The Council will deliver a balanced revenue outturn in respect of the current and future financial years and, to that extent, no deficits are identified that would require additional funding in future years.
  - The Capital programme is constrained to the extent that the maximum additional debt charges that are incurred (which should be considered temporary until capital receipts are achieved) do not exceed the sums included in the MTFP. In particular that any additional borrowing requirements in respect of aspirational capital development will be met from additional income generation from such schemes or a combination of funding from the public and private sector that evidences financial sustainability.



- The Council continues to achieve its ambitious savings targets.
- 7.4. It is assumed that there will be substantive change to the structure of service delivery, including additional regionalisation of services. It is however far too early to financially quantify and describe those changes so they are explicitly excluded at present.
- 8. Use of Reserves**
- 8.1. The purpose of this section is to highlight the current planned use of General Reserves to support the 2024/25 Revenue Budget and to outline the relationships between known risks and earmarked reserves and its effect on planning assumptions. An analysis of the current position is given in paragraphs 8.3 to 8.8 below.
- 8.2. Conclusions and recommendations in respect of reserves usage are given in paragraph 8.9 below.
- 8.3. The current 2023/24 Revenue Budget was set with no planned use of General Reserves.
- 8.4. In terms of planning assumptions there is no assumption of ongoing use of or availability of General Reserves in 2024/25 or beyond.
- 8.5. Whilst the Council maintains a number of specific reserves, they are not factored into planning assumptions because they are either ring-fenced under statute or scheme of delegation (e.g. Schools' delegated reserves), or they are earmarked to meet known liabilities. (The exceptions to this are the already agreed use of the Capital Equalisation Reserve for targeted capital investment and the temporary use of the Economic Recovery Fund as an Energy Inflation Fund).
- 8.6. In December 2023 Council received and approved a report which re-allocated earmarked reserves based on known changes to the risk profile of the Council, and it is anticipated that a similar report will be taken on an annual basis.
- 8.7. Allowing this consideration outside of the annual budget process, and after previous year outturn is known, will give elected Members better opportunity to reflect on the level of General and earmarked reserves in line with the guidance detailed in paragraph 8.10 below.
- 8.8. In addition, various sections highlighted throughout this report refer to significant ongoing risk around current activities.
- 8.9. It remains the position that until these significant risks are fully mitigated then any additional planned use of earmarked reserves to support general revenue budget deficits would be inappropriate.**

- 8.10. On 12<sup>th</sup> January 2016 the Welsh Government issued guidance to Local Authority Members on matters to be taken into consideration when scrutinising the level of Local Authority Reserves held at any point in time. This has been circulated to all Members and any recommendation relating to the holding or release of reserves will be undertaken with reference to the principles underpinning best practice as issued by the Chartered Institute of Public Finance and Accountancy (and updated in March 2023) and this guidance.

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

### **Legal Implications**

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

### **Integrated Assessment Implications**

- 9.2. The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 9.3. The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'. Appendix D is a letter from the Future Generations Commissioner for Wales.
- 9.4. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language
- 9.5. The budget reductions implicit in the 2023/24 approved budget were subject to the corporate and appropriate Integrated Impact Assessment process, which was considered as part of the overall budget process.

- 9.6. Where additional budget savings requirements are identified as part of the 2024/25 and MTFP budget processes they will be subject to the integrated impact assessment process (including relevant consultation and engagement) as part of the budget considerations for those financial years.

**Background Papers:** None

**Appendices:**

Appendix A – Statement of Budget Principles and Service Budget Priorities

Appendix B – Savings Proposals

Appendix C – Integrated Impact Assessment Screening Form

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

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

**GENERAL PRINCIPLES FOR ALL SERVICES**

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

**Budget Principles**

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

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

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

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

**Service Transformation and Efficiency**

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

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

	<ul style="list-style-type: none"> <li>• reduce the cost of purchasing supplies and services</li> <li>• work with others to achieve better outcomes</li> <li>• look for opportunities for residents or community groups to take or share responsibility for services</li> </ul>
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#### 4. STATEMENT OF BUDGET PRIORITIES: SCHOOLS AND EDUCATION

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

Additional funding to schools supports anticipated pay inflation and goes as far as it is able to meet wider pressures, such as Additional Learning Needs.

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

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

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

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

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

We will deliver this through:

- Coherent revenue and capital strategies
- Optimising the level of delegation of funding and responsibilities to schools to allow the greatest flexibility in the use of the available resources
- Supporting earlier intervention and support for pupils:
  - Implementing the changes that underpin the ALN Act

- Providing increasingly targeted specialist support, reflecting the findings of the Education other than at School (EOTAS) review
- Building further capacity in mainstream educational provision and in county specialist provision
- Empowering and facilitating more collaborative school-to-school support
- Ensuring we maximise our commissioning and procurement activity for Out of County places for specialist provision to ensure best value, while meeting learner need.
- Delivery of further significant financial savings through a continuing coherent 'one education budget' strategy:
  - Retaining an absolute core level of statutory and regulatory provision at the centre
  - Recognising where prevention and early intervention services are need to prevent escalating costs at later stages.
  - Ensuring a full recovery of the costs of any support provided to schools above this level and providing the minimum level of Council funding required to fully access the remaining available specific grants

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

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

As anticipated the significant impact of covid and the cost of living crises on the health and wellbeing of our population has started to play through into increased cost pressures across the Social Services Directorate. This has meant that in 2023/24 and for the first time in many years the Directorate has been unable to meet the financial planning assumptions set out within the Council's MTFP without in year mitigating actions including a draw on reserves.

An all Wales analysis of the gap between the cost to Councils of meeting existing levels of demand for social care and the resources available will rise to c£600m over the next few years.

These funding pressures will be exacerbated by additional reductions in grant income which currently fund the bulk of the Council's prevention and early help offer.

Nevertheless, the overall strategy to implement a more cost effective early, help, prevention and wellbeing approach across the Directorate albeit within a reduced financial envelope remains the optimal approach both in terms of supporting the safeguarding and wellbeing of our population and maintaining financially sustainable services.

In that context the priorities for the Social Services Directorate remain:

- Doing what matters to make things better for children, young people, and families,

- Maintain the current Safe LAC Reduction Strategy for children and young people and support more children to remain living safely within their families and communities,
- Continue our investment in preventative services to reduce the number of children escalating to requiring statutory children social services intervention,
- Further develop the agreed optimum model for adults, by embedding the following:
  - Better prevention and early help
  - A new approach to assessment
  - Improved cost effectiveness
  - Working together better
  - Keeping people safe
- Further embed tackling poverty services and prevention approaches across the Directorate and wider Council promoting strengths-based approaches to working with and in communities
- Continue to ensure we maximise the use of the various grant income streams available to support the Council's priorities.

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

For the Place Directorate 2023/24 has been another challenging year as a result of ongoing pressures arising post pandemic and as a consequence of the cost of living crisis which has seen further increases in demands for services across the Directorate and an impact on reduced / slow to recover income streams some of which will continue through into 2024/25. Continued efforts are being made to manage demand and budgetary pressures and this has been reflected in the budget setting process. Pressures are not expected to reduce in the medium term, but the proposed settlement will allow continued investment in many of its front line "place based" services positively impacting on the environment and communities the Council serves. The main areas of priority are:

- Prioritisation of key corporate objectives including the regeneration of the City Centre, delivery of the city deal and its biodiversity and climate emergency/ Net Zero objectives,
- The continued new operation of the new Digital arena, delivery of the Kingsway digital village project and facilitation of the Phase 2 city centre development with our strategic development partners,
- Deliver on a range of ongoing actions arising out of the Council's recovery plan with particular focus on the economic recovery, facilitating private sector investment and tourism,
- Maximise commercial opportunities and income generation for services and assets to offset income losses,
- Seek opportunities for community involvement in the delivery of services and community enablement,
- Invest where necessary to maintain vital services including front line delivery of environmental services,
- Work within the affordability of the housing revenue account to increase the speed of delivery of the more council homes and continue investment to maintain and improve the existing stock,

- Adequately resource the significant council wide capital programme including highways, infrastructure and new schools and respond to the current recruitment challenges to aid delivery,
- Seek to manage the significant rise in demand for homelessness services by delivering on the Councils' homelessness strategy,
- Seek to maximise the success of grant bids maximising the beneficial use of council resources,
- Grow the capacity to support local businesses and suppliers through the circular economy principles and maximise the support available for inward investment,
- Working regionally with colleagues to progress delivery of the Regional Economic Delivery Plan and Regional Transport Plan.

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

The Corporate Services Directorate provides critical support services to the whole council, including Human Resources, digital technology, communications, and legal and democratic services. The Directorate supports the political and managerial leadership of the council to set the strategic direction and enable the organisation to deliver it, responding to external challenges including financial pressures and changes in the operating environment.

Within the budget available to the Directorate our priorities for 2025-28 will be: to

- Ensure high quality, responsive and customer focused support services to Members and officers across the council,
- Deliver the Council's digital and workforce strategies and transformation programmes,
- Ensure the Council has excellent corporate governance arrangements, including implementing digitisation of performance and risk management processes,
- Provide an effective HR support and learning and development offer for employees,
- Ensure the council has effective ICT infrastructure, systems and appropriate cyber security arrangements,
- Invest in process improvements in the Service Centre and Customer Services.

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

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

The Finance Directorate supports the political and managerial leadership of the council to set the strategic direction and enable the organisation to deliver



it, responding to external challenges especially financial pressures and changes in the operating environment.

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

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

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

**Part 1 – Savings Proposals**

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
<b>Future Year Impact of current (2024/25) proposals:</b>					
Corporate Services - Digital and Customer Services	Remove surplus training budget	None	5	5	5
Corporate Services - Digital and Customer Services	Mobile Phone saving	Digital Transformation Programme	4	4	4
Corporate Services - Digital and Customer Services	Licences saving	Digital Transformation Programme	5	5	5
Corporate Services - Digital and Customer Services	Contracts saving	None	50	70	70
Corporate Services - HR & Service Centre	Pay inflation increase to Schools WOD (Human Resources) SLA	None	11	23	25
Corporate Services - Legal Democratic Services & Business Intelligence	Pay inflation increase to Legal SLA	None	3	6	9
Education - Non-delegated	Cost recovery of project officers for capital schemes	Right Schools in Right Places	10	20	30
Education - Non-delegated	Reduce cost centre for historical pensions	None	10	20	30
Education - Non-delegated	Business support review	None	12	12	12
Education - Non-Delegated	Review of ALN transport - minibus pilot	Transforming Additional Learning Needs	25	50	75
Education - Non-delegated	Rationalisation of post-16 transport, reflecting reduced demand	None	68	68	68
Education - Non-delegated	Independent and out of county school contracts	None	100	100	100

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Education - Non-Delegated	Better targeting of Education otherwise than at school (EOTAS) spending following full implementation of new model of provision	Transforming Additional Learning Needs	200	200	200
Education - Non-Delegated	Enhance in County provision reducing out of county costs	Transforming Additional Learning Needs	200	300	500
Education - Non-Delegated	Increase Cleaning SLA charges for schools	None	50	60	70
Education - Non-Delegated	Increase charges for Catering service and SLA for schools	None	100	150	200
Finance - CTRS	Further CTRs savings on top up to another 10%	None	140	200	360
Finance - CTRS	Rebase Council Tax Reduction Scheme	None	97	1,097	1,097
Finance - Directorate	Miscellaneous budget reductions/efficiencies	None	103	93	233
Finance - Revenues and Benefits	Accelerate agreed Revs and Benefits changes	None	-93	-93	-93
Place - Building Services	Additional income generation through significantly increased work programme	More Homes Programme and Right Schools in Right Places	696	705	786
Place - Cultural Services	Increase fees and income targets in line with inflation	None	10	20	20
Place - Directorate	Review Place management structure on completion of Council JE scheme review	None	60	60	60
Place - Highways & Transport	Increase charges and income from Marina and Knab Rock In line with inflation	None	20	40	40
Place - Highways & Transport	Increase street works and licencing fees annually in line with inflation	None	25	50	50
Place - Highways & Transport	Operate an Additional Parking Enforcement camera car	None	100	100	100
Place - Housing & Public Health	Increase in Fee Income for Animal Licensing (food safety)	None	2	2	2

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Place - Housing & Public Health	Increase Food Safety and Trading Standards Fees by 15%	None	2	4	4
Place - Housing & Public Health	Increase pest control fees to 15% for schools' contract and general pest control	None	2	4	4
Place - Housing & Public Health	Increase in Fees for next 4 years Building Control (in accordance with Land Authority Building Charges Regulations 2010)	None	25	51	51
Place - Housing & Public Health	Increase fees for registrars over the next 4 years by 5% annually.	None	34	70	70
Place - Housing & Public Health	Increase fees for burials and Cremations over the next 4 years by 5% annually.	None	44	295	295
Place - Planning	Increase Land Charges Income	None	5	10	10
Place - Planning	Increase Planning Fee Income	Regeneration Programme	25	75	75
Place - Planning	Revise Swansea Market Rent Charges (but also separately invest more core Council funding into market as well)	None	50	50	50
Place - Planning and Regeneration	Review Nature Conservation, Regeneration, Economic Development, & Planning sections	None	50	100	100
Social Services - Adult Integrated Services for Older People	Further remodelling in line with delivery of WG policy for a Healthier Wales and the rebalancing policy commitment. Ensuring appropriate levels of investment from WG and Health Board. Ensure S33 arrangement for intermediate care has equitable contributions.	Transforming Adult Services	500	2,800	2,800

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Social Services - Adult Services & Integrated Services for Older People	Continue progress to a different mix of delivery	Transforming Adult Services	0	50	50
Social Services - Directorate	Fund non-statutory services to the minimum they require to successfully draw down grant funding (Training, Capital, Early Years)	None	0	55	55
Social Services - Directorate	Ensure all back office processes are as business efficient as possible, which will reducing overall staffing costs through natural vacancies	None	50	100	100
Social Services - Directorate	Review senior management structure	None	0	80	80
<b>Future Year Impact of current (2024/25) proposals:</b>			<b>2,800</b>	<b>7,111</b>	<b>7,802</b>
<b>Future Proposals to be Considered:</b>					
Corporate Services - Communications	Review and reshape occ health arrangements across the council	None	63	63	63
Corporate Services - Communications	Review and reshape policy and performance support provided to services.	None	0	50	50
Corporate Services - Communications	Review Communications Service Staffing	None	62	62	62
Corporate Services - Communications	Review and reshape comms/marketing activities across the council	None	50	50	50
Corporate Services - Communications	Carry Vacancy	None	62	62	62
Corporate Services - Communications	Sell / mothball Mansion House	None	60	60	60
Corporate Services - Digital and Customer Services	Review Digital Project Management Team	None	55	55	55

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Corporate Services - Digital and Customer Services	Support and maintenance contract saving	Digital Transformation Programme	0	40	40
Corporate Services - Digital and Customer Services	Review Customer Services	Digital Transformation Programme	0	64	64
Corporate Services - Digital and Customer Services	Review Customer Services	None	72	72	108
Corporate Services - Digital and Customer Services	Review Customer Services	None	36	36	36
Corporate Services - Digital and Customer Services	Reduction in workforce, would be equivalent to two Grade 9 posts, but exact posts not yet identified	None	0	0	110
Corporate Services - Digital and Customer Services	Customer Contact Team Leader	None	0	51	51
Corporate Services - Digital and Customer Services	Licences Saving (Additional)	None	0	176	176
Corporate Services - HR & Service Centre	Reshape Service Centre through digitisation and staff restructure to remove 4 posts	Digital Transformation Programme	30	205	205
Corporate Services - HR & Service Centre	Reduce facility time by 10% in line with wider Council workforce contraction	None	32	32	32
Corporate Services - HR & Service Centre	Replace the DBS renewal process with an update service	Digital Transformation Programme	0	34	34
Education - Non-delegated	Review of Additional Learning Needs (ALN) support	Transforming Additional Learning Needs	365	415	465
Education - Non-delegated	Reduced SLA for therapy services	None	50	50	50
Education - Non-delegated	Phase out devolved funding to schools for Education Other Than at Schools (EOTAS)	None	230	460	700

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Education - Non-delegated	Review of school access to additional teaching assistant support for specialist teaching facilities (STFs)	None	330	330	330
Finance - Revenues and Benefits	Remove vacant posts	None	93	93	93
Place - Cultural Services	Reduce Library Service 'footprint' through providing accommodation and shared services via SitC - work needed to assess costs to other services versus reduced costs to the Library service	Future Community Hub Model	400	400	400
Place - Cultural Services (Community Development)	Reduce service team and asset transfer community buildings; removing support for all except absolute minimum regulatory matters	None	0	150	150
Place - Cultural Services (Management)	Review Service Management and Directorate Budget for development work and cross support for Dylan Thomas Centre and staff	None	20	20	20
Place - Cultural Services (Oystermouth)	Council wide support to continue, but dedicated support will be removed	None	44	44	44
Place - Cultural Services (Sport and health)	Reinstate raised income targets across outdoor leisure portfolio	None	20	20	20
Place - Cultural Services (sports and health)	Reduce management of the sport and health team by reducing grant funded programmes	None	0	50	50
Place - Cultural Services (St Helens)	Divest the Council's interest in St Helens (saving realised in other depts) and save Cultural Services staffing/ maintenance costs	None	50	50	50

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Place - Cultural Services	Restructure in line with move to Y Storfa /Hub model e.g. one reception/ library assistant and shared local history personnel	Future Community Hub Model	20	20	20
Place - Cultural Services	Review budget to deliver Cultural Activity	None	20	20	20
Place - Cultural Services	Seek alternative (grant) funding for events and destination management with longer term Tourism Levy funding to be explored.	None	0	150	150
Place - Directorate	To assist with slippage and management of changing operational pressures in future years	None	-298	0	0
Place - Highways & Transport	Apply full cost recovery principles to day markets on car parks and highways	None	0	5	5
Place - Highways & Transportation	Introduce charges for residents parking based on £20 per permit per annum	None	0	140	140
Place - Highways & Transportation	Remove 48hr pothole pledge by reducing team	None	0	40	120
Place - Housing & Public Health	Pest - Reduce budget for animal impounding charges and vets services	None	12	12	12
Place - Housing & Public Health	Pest - Stop work related to stray horses	None	42	42	42
Place - Housing & Public Health	Pollution - Reduce out of hours response to 'emergency' response only including no out of hours response to noise nuisance investigations.	None	32	32	32
Place - Housing & Public Health	Pest - Reduce out of hours response to 'emergency' response only	None	26	26	26
Place - Place (All Services)	Savings to fund / offset known pressure in Parking (Parking Offer).	None	2,090	2,140	2,190
Place - Planning and City Regeneration	Fee income from capital projects in City Regeneration to offset revenue costs	Regeneration Programme	0	24	24



Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Place - Planning and Regeneration	Senior Management Restructure	None	0	0	96
Place - Property Services	Reduction of service asset portfolio due to service reductions - savings on premises costs	Net Zero 2030 Programme	300	300	300
Place - Property Services	Revised structure arrangements due to reduced requirements as a result of asset reduction	None	0	0	400
Place - Waste	Remove city centre urinals	None	28	28	28
Place - Waste, Parks & Cleansing	Divert all other DIY material to Llansamlet and charge for disposal of specific materials	Future Waste Strategy	0	50	50
Place - Waste, Parks & Cleansing	Reallocate current Cleansing Project Teams	None	0	40	40
Place - Waste, Parks & Cleansing	Review Street Cleaning	None	30	30	30
Place - Waste, Parks & Cleansing	Reduction in Grounds Maintenance Workforce - 3no.	None	0	75	75
Place - Waste, Parks & Cleansing	Further reduction in street cleansing workforce - 3no. more	None	0	75	75
Place - Waste, Parks & Cleansing	Close Recycling Centre	Future Waste Strategy	0	45	45
Place - Waste, Parks & Cleansing	Wholesale reconfiguration of waste collection arrangements to maximise incentive for residents to recycle. Could include increased frequency of recycling collections, reduced frequency of black bag collections, reduced costs of containers, improved quality of recyclates. - based on achieving 10% reduction in residual waste.	Future Waste Strategy	200	300	300

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Place - Waste, Parks & Cleansing	Wholesale reconfiguration of waste collection arrangements to maximise incentive for residents to recycle. Could include increased frequency of recycling collections, reduced frequency of black bag collections, reduced costs of containers, improved quality of recyclates. - based on achieving 20% reduction in residual waste.	Future Waste Strategy	200	300	300
Place - Waste, Parks & Cleansing	Reductions in Enforcement Teams	None	30	110	110
Place - Waste, Parks & Cleansing	Retender Tir John Management Contract at end of current contract	Future Waste Strategy	80	140	140
Place - Waste, Parks & Cleansing	Review Gardeners at the Botanical gardens	None	0	30	30
Place - Waste, Parks & Cleansing	Switch from formal annual flower beds to informal low maintenance planting	None	0	45	45
Place - Waste, Parks & Cleansing	Reduction in Waste Plant and Equipment budgets and purchase essential via capital funding eg skips	None	0	50	50
Place - Waste, Parks & Cleansing	Efficiencies/increased income in Commercial Waste Service	Future Waste Strategy	0	150	150
Place - Waste, Parks & Cleansing	Increase Bulky Waste Collections charges	None	8	8	8
Place - Waste, Parks & Cleansing	Increased Tree Services income due to 15% increase in charges to HRA, schools and third parties	None	27	27	27
Place - Waste, Parks & Cleansing	Charging for garden waste collections	Future Waste Strategy	0	50	150
Place - Waste, Parks & Cleansing	Fortnightly collection of Tiger Bags	Future Waste Strategy	25	25	25

Director/Head of Service	Description	Transformation Project	Savings 2025/26 £'000	Savings 2026/27 £'000	Savings 2027/28 £'000
Place - Waste, Parks & Cleansing	Reduce Public Toilets Improvements Budget by 50%	None	40	40	40
Place - Waste, Parks & Cleansing	50% reduction in playground equipment budget	None	55	55	55
Social Services - Adult Services, Prevention and Tackling Poverty	Prevention and redesign activities in Adult Services to deliver additional medium-term savings linked to future reduced demand for care and support. This will mean that people currently in receipt of care and those who need care in the future receive a different offer – this is Adult Services Early Help offer.	Transforming Adult Services	1,483	2,773	3,223
Social Services - Adult Services, Prevention and Tackling Poverty	Review day services and amalgamate the number of sites and remodel the existing service provision for day opportunities to maximise use of buildings and promote independence for better outcomes and reducing overall staffing costs	Transforming Adult Services	750	1,000	1,000
Social Services - Child & Family Services	Continue to implement the new framework for the funding of childrens complex needs placements to ensure continued equitable funding of these placements with Health	Child and Family Services Transformation	100	100	100
Social Services - Child & Family Services	Implement income target for Borfa Gower Activities Centre (Increase in fees)	Child and Family Services Transformation	50	50	50
<b>Total Future Proposals to be Considered:</b>			<b>7,474</b>	<b>11,741</b>	<b>13,353</b>

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

<b>Director</b>	<b>Head of Service</b>	<b>Description</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>
Corporate Services	Legal and Democratic Services	Increase to Councillors costs due to IRPW Report	74	149	224
Corporate Services	Legal and Democratic Services	Election System - IDOX system	50	50	50
Social Services	Poverty and Prevention	Additional Pressures	50	50	50
Social Services	Adults	Additional Pressures	50	50	50
Social Services	Child & Family	Additional Pressures	100	100	100
Education	Non-Delegated	ALN (including Post 16) Transport cost pressures in excess of planning assumptions	70	70	70
Corporate Services	Communications	Grade 10 Strategic Change Manager post (Shown for completeness following extension of two year saving)	62	62	62
Corporate Services	Legal & Dem Services	Elections system - Modern Democracy	33	33	33
Corporate Services	Legal & Dem Services	Cost of running elections	0	0	50
Social Services	Directorate	Extra Directorate Pressures in addition to what is included above with 5% CPI added for coming years	220	470	720
Education	Non-Delegated	Increased claims from Facilities Time Policy	3	6	9
Education	Non-Delegated	Regional School Improvement Service Charges	42	85	85
Place	Housing & Public Health	Poor Income Recovery Housing and Public Health (Cems)	0	-71	-79
Place	Highways & Transportation	Parking Offer / Income (Highways)	50	100	150
Place	Housing & Public Health	Homelessness costs to comply with WG Policy	500	500	1,700
Place	Directorate	Y Stora	26	26	26
<b>Grand Total</b>			<b>1,330</b>	<b>1,680</b>	<b>3,300</b>

## Integrated Impact Assessment Screening Form

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

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

Service Area: Accountancy

Directorate: Finance

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

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

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

## Medium Term Financial Planning 2025/26 to 2027/28

Service and financial planning continues to be undertaken against a backcloth of increasing service pressures and demand. Again this year there is added pressure and uncertainty as we deal with a cost of living crisis and uncertain inflation levels. This has affected short-term planning and is expected to continue impact the budget in the medium term.

- The Medium Term Financial Plan (MTFP) is an overarching strategy that:
- Covers three future years.
- Forecasts future known additional spending requirements, likely resources and potential funding shortfalls.
- Links to the Council's adopted transformation programme 'Transformation Strategy 2022-2027 and Beyond – Successful and Sustainable Swansea' as a means of addressing future budget shortfalls.
- Links to the Council's revised Corporate Plan, "Delivering a Successful and Sustainable Swansea" and the delivery of our top 6 priorities.
- Has due regard to our duties under the Well-being of Future Generations Act 2015.

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

**It is important to understand that the MTFP does not constitute a formal budget in respect of the period 2025/26 to 2027/28 and as such the indicative annual assumptions included both within the projected spending pressures detailed in Sections 2 and 3 of this report, and the potential funding detailed in Sections 4 and 5, will be subject to a full review and decision making process as part of each of the annual Revenue Budget and Council Tax setting decisions.**

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

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

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

Importantly, it is essential that the MTFP is a 'living' document that is subject to regular review and revisions as more information becomes available and risks are updated. As such, it is anticipated that, along with close monitoring of the specific budget proposals and savings targets for 2024/25, further reports to Cabinet regarding the MTFP will be made as necessary. In particular, the Mid Term Budget Statement in the autumn of 2024 will provide a key update on the financial outlook and delivery of savings.

## **GENERAL PRINCIPLES FOR ALL SERVICES**

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

### **Budget Principles**

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

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

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

## Service Transformation and Efficiency

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

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

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

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

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

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

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

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

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

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

High risk

Medium risk

Low risk

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

Yes  No If yes, please provide details below

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

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

Yes  No If yes, please provide details below

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

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



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

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

## Outcome of Screening

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

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

The budget reductions implicit in the 2023/24 approved budget were subject to the corporate and appropriate Integrated Impact Assessment process, which was considered as part of the overall budget process.

Where additional budget savings requirements are identified as part of the 2024/25 and MTFP budget processes they will be subject to the integrated impact assessment process (including relevant consultation and engagement) as part of the budget considerations for those financial years.

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

Full IIA to be completed

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

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

<b>Screening completed by:</b>
<b>Name: Sarah Willis</b>
<b>Job title: Group Accountant – Corporate and Strategy</b>
<b>Date: 29/01/2024</b>
<b>Approval by Head of Service:</b>
<b>Name: Ben Smith</b>
<b>Position: Director of Finance and Section 151 Officer</b>
<b>Date: 29/01/2024</b>

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



By email

1<sup>st</sup> of February 2024

Dear Chief Executive,

I am writing to you about our joint role in delivering the Well-being of Future Generations Act and how we must consider the interests of future generations in the challenging budget setting circumstances we face. Please share this letter with your directors of finance.

The budget constraints come at a difficult time, in a period of polycrisis, including climate change, biodiversity loss, pandemics, the rising cost of living, and conflicts, which together are having a significant, immediate, and detrimental impact on the lives of the people in Wales.

In this time of budget challenges, it is important we avoid short-term, sticking plaster solutions as we know this will only serve to store up problems for the future. Instead, we must continue to follow the direction of the Well-being of Future Generations Act.

We must continue to take forward our commitments to current and future generations to remedy the root causes of problems, not just the symptoms, for a better future for everyone.

I recently gave evidence to the Finance Committee on their 2023-2024 budget where I challenged Welsh Government's use of the Well-being of Future Generations Act in setting their draft budget. I also urged Welsh Government to do more to support public bodies and PSBs (Public Services Boards) to implement their well-being objectives and to involve public bodies further in their budget decision-making process.

I would like to re-emphasise the importance of ensuring that the spending of public funds is aligned with the well-being goals, the five ways of working, and the corporate areas of change.

More than ever, it is important to build resilience wherever we can and protect preventative action, so we do not face greater challenges in future.

The Corporate Areas of Change (i.e. corporate planning, financial planning, workforce planning, procurement, assets, risk management and performance management), outlined in the Well-being of Future Generations Act's Statutory Guidance, ask that public bodies clearly demonstrate how they are considering the legislation in their financial, risk, and asset planning.

I would be interested to learn more about how you are considering the interests of future generations when you are setting your budget this year.

Please share with me information about your approach so I can share examples of good practice with other Welsh public bodies.

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**Comisiynydd Cenedlaethau'r Dyfodol Cymru**  
 Tramshed Tech, Heol Pendyris  
 Caerdydd, CF11 6BH  
[cystylltwchani@cenedlaethaurdyfodol.cymru](mailto:cystylltwchani@cenedlaethaurdyfodol.cymru)  
[cenedlaethaurdyfodol.cymru](http://cenedlaethaurdyfodol.cymru)

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**Future Generations Commissioner for Wales**  
 Tramshed Tech, Pendyris Street  
 Cardiff, CF11 6BH  
[contactus@futuregenerations.wales](mailto:contactus@futuregenerations.wales)  
[futuregenerations.wales](http://futuregenerations.wales)

Finally, I would like to take this opportunity to reiterate my commitment to supporting you and your team as we navigate this difficult period.

Over the next twelve months, I will increase the support my office provides you to apply the Well-being of Future Generations Act to inform budget making decisions.

Yours sincerely



Derek Walker

Comisiynydd Cenedlaethau'r Dyfodol Cymru

Future Generations Commissioner for Wales

# Agenda Item 9.



## Report of the Section 151 Officer

Cabinet – 15 February 2024

### Revenue Budget 2024/25

<b>Purpose:</b>	This report sets out the current position with regard to the Revenue Budget for 2024/25 for consideration by Cabinet.
<b>Policy Framework:</b>	Medium Term Financial Plan and Budget Strategy
<b>Consultation:</b>	Cabinet Members, Legal, Access to Services & Corporate Management Team
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Considers the outcome of the formal consultation exercise and agrees any changes to the Budget Proposals in Appendix D, together with the position regarding delegated budgets as set out in Sections 4.15 and 4.17 of this report.  2) Notes the current Total Funding Requirement identified in Section 4.6 of this report and, in line with the potential actions identified in Sections 9 and 10 of this report, agree a course of action to achieve a balanced Revenue Budget for 2024/25. In addition to a review of current savings proposals Cabinet will need to: - Review and approve the Reserve transfers recommended in this report - Agree a level of Council Tax for 2024/25 to be recommended to Council  3) Subject to these changes, recommends to Council for approval: a) A Revenue Budget for 2024/25; b) A Budget Requirement and Council Tax levy for 2024/25.
<b>Report Authors:</b>	Ben Smith/Sarah Willis
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar

## 1. Introduction and Background

### 1.1. This report details:

- Financial monitoring 2023/24
- The Local Government Finance Settlement 2024/25
- Budget Forecast 2024/25
- Specific Savings Proposals
- Outcome of Budget Consultation
- Staffing Implications
- Reserves and Contingency Fund requirements
- The Budget Requirement and Council Tax 2024/25
- Summary of funding proposals
- Risks and uncertainties

### 1.2. The financial assessment in relation to 2025/26 – 2027/28 is contained in the **Medium Term Financial Plan 2025/26 – 2027/28** elsewhere on this agenda.

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

- The budget strategy agreed by Council on 22<sup>nd</sup> October 2013 – **‘Sustainable Swansea: Fit for the Future’**.
- The report to Cabinet on 29<sup>th</sup> July 2014 – **‘Sustainable Swansea: Fit for the Future: Delivery Programme’**.
- The update report on **Sustainable Swansea – Fit for the Future** as approved by Cabinet on 16<sup>th</sup> July 2015.
- The report to Cabinet on 15<sup>th</sup> October 2020 – **‘From Recovery to Transformation’** detailing the “Swansea – Achieving Better Together, Transformation Strategy & Programme Framework 2022 – 2026”
- The report to Cabinet on 17<sup>th</sup> November 2022 – **‘Transformation Goals and Strategy’** detailing the Council’s transformation strategy, vision and goals for 2022 – 2027.
- The report to Cabinet on 20<sup>th</sup> April 2023 – **‘Successful and Sustainable Swansea Corporate Transformation Plan’** detailing the Council’s corporate transformation plan.
- The report to Cabinet on 12<sup>th</sup> January 2024 – **Budget Proposals 2024/25 – 2027/28** setting out the Council’s proposals for consultation.

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

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

- 1.6. **Whilst rightly emphasising what is proposed being removed in savings for transparency, at just under £25 million, it must equally be borne in mind that approximately £50 million is being added, making a net £25 million being added. Net service budgets are increasing even though substantial savings need to be found.**

## **2. Financial Monitoring 2023/24**

- 2.1. Cabinet will see a report for consideration elsewhere on this agenda on the estimated Revenue Outturn for 2023/24. It is projected that the Council will outturn at an underlying directorate overspend position of £1.507m, which is an improved position compared to the forecast overspend at quarter 2.
- 2.2. The overspend is primarily in respect of pressures in the care sector, home to school transport and waste management.
- 2.3. In addition, to be prudent it is the S151 Officer's view that there is a need to create an equal pay provision at an estimated value of £15m. This is as a result of carrying out a review following well documented reports in the national press.
- 2.4. The contingency fund will be used to fund a list of approved items, leaving a balance of £2.574m to contribute to the creation of the provision, together with the residual balance on the inflation provision of £3.649m.
- 2.5. Any underspends on capital charges (at least a further £7.0m) will also be used to fund the creation of the equal pay provision, a one-off deviation from the strategy previously agreed by Council, to contribute to the capital equalisation reserve.
- 2.6. Nevertheless the overall position remains overspent by a residual £3.284m (on top of over £25m planned one off draws from reserves, predominantly for the Economic Recovery Fund and energy costs, and a separate expected £10m draw from schools reserves) and this residual overspend must be fully addressed by spending officers before outturn to prevent destabilisation and undermining of the starting position in relation to 2024/25 budget.

## **3. The Local Government Finance Settlement 2024/25**

- 3.1. The Minister for Finance and Local Government announced the provisional Revenue and Capital Settlement for 2024/25 on 20<sup>th</sup> December 2023 and the final settlement is expected, subject to confirmation, to be announced on 28<sup>th</sup> February 2024.
- 3.2. At the time of writing this report the Welsh Government had not announced the final settlement, however the Minister for Finance and Local Government stated in the provisional settlement that there was no intention to make significant changes to either the methodology or the data underpinning the settlement.

There are a few reasons why the settlement figure may change:

- Like last year there may be a change to fire service funding,
- There is a recently announced £25m Barnett consequential for Wales as a result of a £600m urgent top up to local government funding proposed in England.
- There will be a national 5% increase in Teachers Pension costs from 2024/25, it is expected that the funding to cover this will flow from the UK Government to the Welsh Government as a Barnett consequential and then to schools. It is unknown when this will happen, it could be in the final settlement or as a specific grant, and it may arrive in March 2024.
- Some specific grants could still change (the Welsh Government has already announced potential change to the Homelessness grants announced in the provisional settlement)

The Welsh Government has announced a revision to the Capital Settlement due to an anomaly impacting the distribution. This has resulted in a minor amendment to the Capital Settlement for Swansea (an increase of a further £0.031m). Whilst there are minor amendments to the Revenue Settlement as a result of this, Swansea is unaffected as to the nearest thousand there is no change.

Any other changes such as any new responsibilities transferred into the Revenue Support Grant will simply be passported to Services as usual. **If any more material announcements are made over elements regarding taxation policy (business rates, council tax, VAT, employers taxes etc.) or expectations for, or funding for helping with council tax levels, or indeed overall funding support to councils, this may need to be revisited at Council, which will be operationally and procedurally difficult given likely March timings of both Welsh Government and UK Government final budgets and our own Council budget setting of 6<sup>th</sup> March.**

- 3.3. For the purposes of this report there is assumed to be no change to the provisional settlement figure.
- 3.4. In respect of Schools and Social Services, although the provisional settlement does make it clear that the cost pressures in social care and schools are definitively recognised by the Welsh Government, there is no formal protection or funding guarantee and the block grant increase actually falls far short of the assumed need to spend in both those blocks within the settlement so any decision over funding is a local one to be made by Cabinet and ultimately by Council, having any due regard to any budget consultation responses received.
- 3.5. In revising the Medium Term Financial Plan and setting the Budget for 2024/25, it is essential that the Council adheres to the strategic goals in the latest transformation strategy *Transformation Strategy 2022 and Beyond*. The Council made clear through *Sustainable Swansea* that the need to transform services, reduce or divert demand through prevention and to look for alternative models of delivery, including community action, is required for our

future sustainability and to improve outcomes for citizens and this needs to be reinforced and strengthened under the new *Successful and Sustainable Swansea – Transformation Plan* as approved by Cabinet in April 2023.

- 3.6. **The longer-term financial pressures and level of risk that we continue to face make the need to implement these changes ever more urgent. The modest increase in Aggregate External Finance for next year should be seen as a further opportunity to maintain investment in the Council's priorities and preventative action in particular, and embracing wider scale transformational change, as part of the recovery plan, not to slow down the pace of change or the level of required savings in the medium term, given the outlook and levels of future settlements are forecast to materially deteriorate.**

#### 4. **Budget Forecast 2024/25**

##### *Overview*

- 4.1. The budget proposals for 2024/25 as submitted for consultation on 12<sup>th</sup> January 2024 highlighted pressures of £51.132m, resulting in a savings requirement of £24.924m once the provisional increase on Welsh Government Aggregate External Finance (AEF) of £15.308m was taken into account, together with estimated Council Tax rises of £10.900m.
- 4.2. The announcement of the final settlement will mean that the overall funding deficit forecast for 2024/25 will inevitably, but hopefully marginally, change.
- 4.3. In addition, the opportunity has arisen to review all aspects of the budget pressures and risks so far identified with a view to updating the forecast using the latest up to date assumptions.
- 4.4. The options for funding the deficit that is identified remain as:
- Savings on current service net expenditure (through a combination of expenditure reduction and additional income generation)
  - Increases in Council Tax levels (but weighing need for tax revenue sustainability with affordability for residents)
  - Use of Reserves and Balances more generally (not advised as simply not sustainable).

##### ***Forecast Funding Requirement 2024/25***

- 4.5. The revised funding requirement previously identified in paragraph 4.1 above can now be updated and summarised in Table 1(a) below.
- 4.6. The items highlighted in ***bold italic*** in the table have changed since the budget proposals report in January 2023. These are discussed later in the report, and have resulted in a slight change to the Net Funding Requirement.



**Table 1(a) – Projected Pressures 2024/25**

	<b>Budget 2024/25 £'000</b>
Future cost of pay award	
- LG Staff	11,152
- Teachers	8,900
Impact of Teachers' Pay Award	
- 2022/23 1.5% Consolidated	1,900
- 2023/24 1.5% above budgeted	1,900
National Living Wage – pay bill	1,200
National Living Wage – contracts	3,000
Increase in Pension Costs	0
Increase in Teachers' Pension Costs	0
<b><i>Change to Inflation Provision</i></b>	<b>-1,984</b>
Remove use of Reserves to partially fund Energy Prices (short term)	9,100
Capital Charges – New scheme aspirations	0
Capital Charges – Temporary use of underspend	-2,040
Use of Capital Equalisation Reserve	-1,350
Use of Other Reserves	-7,029
<b><i>Contingency</i></b>	<b>-2,527</b>
Rebase ICT Cloud costs	500
Demographic & Service pressures	3,000
<b><i>Mid and West Wales Fire Authority Levy (independently decided by the Fire Authority)</i></b>	<b>1,208</b>
<b><i>Other Levies (Swansea Bay Port Health Authority and The Corporate Joint Committee)</i></b>	<b>-26</b>
<b><i>Council Tax Support Scheme</i></b>	<b>2,200</b>
MTFP Service pressures accepted	458
<b><i>New service pressures accepted</i></b>	<b>12,774</b>
<b><i>Partially reinstate 2023/2024 deferred savings</i></b>	<b>717</b>
Temporary One-off Additional Funding for Schools	7,029
Social Care extra money for Adult Services	2,500
Passed through AEF to Services	0
<b>Total Funding Requirement</b>	<b>52,582</b>
Savings Requirement	-24,924
<b>Net Funding Requirement</b>	<b>27,658</b>
Aggregate External Finance increase	15,308
<b><i>Council Tax increase (including tax base changes)</i></b>	<b>12,350</b>
<b>Total Resource Investment</b>	<b>27,658</b>

## ***Inflation***

- 4.7. The 2023/24 Revenue Budget provided a corporate provision of £20.330m for general inflation (£4.330m), energy inflation (£15.000m) and the cost of the Apprenticeship Levy (£1.000m). It is expected that the full £1.000m will be required for the Apprenticeship Levy, the latest estimate on general and energy inflation indicates that £15.681m will be required and the remainder of the provision will be retained to contribute to the new equal pay provision, if necessary.

UK inflation has fallen each month from February 2023 to November 2023, and although it increased again in December, this was a marginal increase. Forecasters expect inflation to fall further in 2024, however it will still be higher than four years ago, meaning there is still need for a sizeable central inflation provision, albeit lower than last year. Energy prices are expected to fall towards the end of 2024 but are expected to remain high initially.

After transfers to services and additional provision for expected Home to School Transport inflation, the remaining balance on the inflation provision will be reduced by £1.984m, meaning £9.089m will be available for general and energy inflation and £1.1m will be available for the Apprenticeship Levy in 2024/25. In addition to this national minimum wage contract increases (£3m) have been provided for within service budgets.

- 4.8. In the November 2015 Autumn Statement, the Chancellor first announced significant increases in the National Minimum wage. Whilst the actual increases will vary year to year there will be continued pressures. The rise anticipated for 2024/25 could affect direct employee costs. There is some uncertainty around the impact as the 2024/25 pay award is as yet unknown, however the latest estimate has been included above. It will also impact directly on wage costs of external contractors particularly in respect of contracted services within Social Services. It should also be noted that the local government finance settlement this year again places an expectation on local government to move to become an always better than living wage employer in own right and with targeted parts of contracted social care in the first instance. The pay policy will be considered at Council in March and those likely policy decisions on future national minimum pay levels to come, relative to general inflationary pay increases provided for, are already fully afforded within the overall budget envelope proposed. For the avoidance of doubt the pay policy proposals and decision to come will not likely need to be otherwise constrained by the budgetary position provided for.

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

- 4.9. In his Autumn Statement presented to Parliament in November 2023, the Chancellor of the Exchequer made no reference to public sector pay and given the falling (but still high) levels of general inflation it can reasonably be

expected that pay rises will slow over the next 4 years. 5% has been provided for in 2024/25.

- 4.10. The Apprenticeship Levy is still held centrally on the general provision for inflation line as it is currently a cost that is in effect a corporate tax. This makes the total central provision for inflation just under £10.2m, although £1.1m of this is already fully committed for that levy.
- 4.11. As detailed below, it is assumed that any provision for increases in School pay budgets will be met directly from Schools' delegated budgets.

### ***Schools Prioritisation***

- 4.12. It remains the case that the forward financial plans for the Council will continue to show year on year savings requirements which are likely to be significant and sustained. Given the scale of savings required, it is inevitable that it will be impossible to exempt schools' budgets fully from longer term real terms cuts.
- 4.13. Budget movements can be viewed in two ways:
- Cash increases or reductions in levels of funding provided to Schools,
  - Real terms changes in Schools funding, taking into account known spending needs.
- 4.14. For 2024/25 there continues to be no Ministerial funding commitment to schools, although the provisional settlement does make it clear that the cost pressures in schools are specifically recognised by the Welsh Government and were a material factor in the overall settlement. It is intended to provide funding for various service pressures as a local priority for Cabinet.
- 4.15. The net result of these proposals is an increase in the cash settlement to Schools of just over £12m (6.4%) for 2024/25, which is considerably more favourable than the 3.66% increase in this Council's funding from Welsh Government. This has been possible due to use of reserves, meaning the bulk of this increase is temporary, for one year only.
- 4.16. This year the Welsh Government has amalgamated several pre-16 grants (eg Pupil Development Grant) into the new Local Authority Education Grant (LEAG). Overall, the grant available in 2024/25 has decreased marginally, however the effect of this on individual schools is not yet known. Post-16 funding has remained the same.
- 4.17. Table 1 (b) below sets out the effective impact of the core funding increase against expected funding pressures for Schools.

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

Item	£'000	£'000
<b>Cash position</b>		
<b>Gross core delegated base budget 2023/24</b>		<b>189,670</b>
Increase for pay award - all staff	8,900	
Increase for shortfall in 2022/23 and 2023/24 pay wards – all staff	3,800	
Transfers previously agreed	128	
Total Pressures added		12,828
Schools contribution to reduced resources		-12,207
<b>Core delegated base budget 2024/25</b>		<b>190,291</b>
One-off temporary funding for 2024/25		7,029
<b>Total delegated base budget 2024/25</b>		<b>197,320</b>
Funding available for Energy costs		4,500
<b>Total available for Schools 2024/25</b>		<b>201,820</b>
		+6.4%

***NB: The expected uplift for teachers pension costs will be advised separately as soon as received and is currently excluded from the core budget as it is most likely to be a specific grant in 2024/25, given lateness of timing, is not currently known with sufficient certainty to anticipate as income and merely neutralises (on average) a cost to be passed on from government.***

The above cash increase substantially covers most, but not all, of the known pressures for Schools, with energy costs continuing to be underpinned in 2024/25, and continues to support the enhancement of mainstream provision within schools as part of the existing education budget strategy.

There are no further delegated funding changes expected for 2024/25 and so the total school budget set out in Appendix H has increased by £12.150m for 2024/25 or 6.4% in respect of schools core funding.

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

### **Social Care Protection**

- 4.18. Similarly to Schools, the Welsh Government overall Revenue Settlement for 2024/25 no longer includes a protection or prioritisation of funding for social care. Although the settlement does make it clear that elements of Social Care pressures (pay) are recognised in the settlement.

Overall the cash budget proposed for social services (including poverty & prevention) increases by around 8.9% or £14.0m.

### **Capital Financing Charges**

- 4.19. There is a base line decrease of £2.04m compared to the 2023/24 approved budget recognising the fact that capital financing charges have been underspending in recent years due to the allocation of internal funds, and slippage on the capital programme. This underspend is forecast to continue into 2024/25 and so the budget has been reduced temporarily.
- 4.20. In line with the Treasury Management Strategy, a significant element of the Capital Financing Requirement has been met by the allocation of internal funds (internal borrowing). This is highly dependent on cash-flows of the Council and minimises capital costs to the Council whilst appraising the opportunities to externalise funding. That approach was vindicated by the historically low-cost borrowing secured by the S151 Officer in 2018/19 and 2021/22, which represents the cheapest borrowing ever secured by the Authority. In hindsight this strategy was well timed noting the effect of the post COVID-19 inflationary environment, we now find ourselves in with financing costs more than doubling in the interim.
- 4.21. The current market and inflationary environment, makes funding the capital programme even more challenging, alongside the more stringent PWLB guidance outlining what PWLB can and cannot be used for. The most economically / operationally advantageous form of borrowing shall be determined by the Section 151 Officer as cashflow and opportunities dictate, and could also include the following alternative sources of capital:
- Local authorities
  - Financial institutions
  - Municipal Bonds Agency

Furthermore, the authority has outlined a range of ambitious and challenging investment plans and opportunities in the shape of local choices to spend more on capital, the 21<sup>st</sup> Century Schools/Sustainable Communities for Learning programme, the continuing City Region Deal costs, City Centre redevelopment, and new housing plans, which are set out in the reports on Capital elsewhere on this agenda.

- 4.22. Whilst the short-term costs have been built into annual budgets to date, and forecast general fund capital borrowing requirements have been de-risked, as outlined above with PWLB borrowing, there remains a longer term requirement to anticipate additional capital financing costs because of the

scale of indicative future commitments. The authority continues to materially benefit from change to MRP policy which was approved by Council in December 2018.

- 4.23. The S151 officer has carefully considered the impact of the many variables and unknowns inherent in the funding of the presented capital programme (e.g. Brexit impact, volatility of markets, inflation, timing of City deal funding, variability of direct capital grant funding, impact of MRP review on equalising principal repayments in later years) and has sought to mitigate the impact of the funding of the capital programme on the revenue account with the establishment of the capital equalisation reserve. The utilisation of the reserve recognises the future obligations arising out of the committed capital programme whilst prudently mitigating that impact on the revenue account by adopting professional judgement in reserving appropriately at this time in the capital equalisation reserve, which has due regard to the Well-being of Future Generations.

#### ***Fire Authority, Corporate Joint Committee and Port Health Authority Levies***

- 4.24. Since the 12<sup>th</sup> January 2024 Cabinet report we have been notified of the overall change in the Fire Authority Levy. This figure reflects an overall average 7.1% increase in the levy. We will need to await the final notification, which will include changes expected due to the relative allocation across each levied Authority.
- 4.25. There has been a decrease in the Swansea Bay Port Health Authority Levy of 5.6%, the levy for 2024/25 has been set at £83,478 for Swansea.
- 4.26. There has also been a decrease in the relatively new Corporate Joint Committee levy of 10%, the levy for 2024/25 has been set at £191,188 for Swansea.

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

- 4.27. The Authority received a baseline adjustment to its Revenue Support Grant of £18.883m for 2014/15 which has been notionally included as part of all future settlements. The effect of this is that any future increases in Council tax levels would have to be discounted by any potential increases in Council Tax Support costs. Where appropriate the yield will also have to take account of any increase in Council Tax Support Costs arising from increases in the Council Tax applied by the South Wales Police Commissioner.

The effects of funding additional Council tax support have been taken into account when calculating the funding in respect of the overall budget shortfall highlighted in Table 1(a) in paragraph 4.6 of this report. This has been set at £2.2m for 2024/25.

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

- 4.28. The Authority is responsible for funding an element of any discretionary rate relief awarded to local businesses. No increase to this budget has been anticipated for 2024/25.

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

- 4.29. It can be seen from Table 1(a) above that there is a continued investment in pressures identified and approved as part of the budget process last year. In addition to this there have been a number of new pressures and new investment opportunities identified as part of this year's budget process. The funding of these items has been possible partly because there has been an increase in the settlement from the Welsh Government and partly through efficiencies (savings) made elsewhere within the Authority. Since the January 2024 report these pressures have been revised and the final list is shown in part 2 of Appendix D.
- 4.30. At the council meeting on 2<sup>nd</sup> March 2023 the decision was taken to defer savings to the value of £901k for one year. The savings have been reviewed in full and it has been concluded that savings totalling £184k can remain and will be progressed in 2024/25, but £717k will need to be reinstated. These are summarised in Appendix D.

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

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

In November 2022 Cabinet approved a new transformation strategy – *Transformation Strategy 2022 and Beyond*. Under the banner of Successful and Sustainable Swansea Cabinet approved the current transformation programme in April 2023. The original plan contains seven service specific and five cross-cutting programmes and going forward budget savings will be linked to these programmes where they form part of the transformation for those services.

- 5.2. Savings have been allocated to the 12 transformation programmes as per the following table, not all programmes involve savings, and not all savings are part of transformation programme, some will be implemented just through 'business as usual'. The savings appendix (Appendix D) details the individual savings, the summary is:

**Table 2 – Savings per Transformation Programme**

<b>Transformation Programme</b>	<b>Savings 2024/25 £'000</b>
Child and Family Services Transformation	100
Digital Transformation Programme	49
Regeneration Programme	25
Transforming Adult Services	1,845
Transforming Additional Learning Needs	606
Right Schools in Right Places	7
More Homes Programme <b>and</b> Right Schools in Right Places	700
Business as Usual	9,385
<b>Total Savings as per Appendix D</b>	<b>12,717</b>
Schools contribution to reduced resources	<b>12,207</b>
<b>Total Savings Requirement</b>	<b>24,924</b>

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

- 5.3. The strategy as adopted underpinned the decision taken at the Council's Cabinet on 12<sup>th</sup> January 2024 to recommend specific savings proposals totalling £24.924m in 2024/25 for consultation. Cabinet now needs to consider whether or not to make any changes to these proposals in light of the outcome of the consultation.
- 5.4. Details around the currently assumed proposals for Council Tax levels are shown in Section 9 of this report.
- 5.5. Details around use of the Council's Reserves, contingency and inflation provisions are shown in Section 8 of this report.

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

### **Budget Consultation Results**

- 6.1. The annual budget consultation ran from 12<sup>th</sup> January 2024 to 11<sup>th</sup> February 2024. A summary of interim consultation results is attached at Appendix E.
- 6.2. The IIA process has been running continually through the budget process. The IIA report is attached as Appendix F. Cabinet will be kept updated on any potential issues that may arise as part of the budget implementation process.
- 6.3. Cabinet and Council will need to consider the response to consultation and the IIA report and demonstrate how we are taking account of the feedback.
- 6.4. Finally, Cabinet is asked to note that, as part of the budget consultation process an account of the consultation responses will be placed on the Council's website.



## Changes Proposed to the Budget in this Report

- 6.5. Following consultation, Cabinet will now need to consider further whether it is minded to make any further recommendations to Council on its final proposals for the 2024/25 budget.

### 7. Staffing Implications

#### *Background*

- 7.1. The Cabinet Report of 12<sup>th</sup> January 2024 set out the latest estimate (**work on this is continuing and the number is likely to change**) of the impact of the current proposals on total staffing numbers for 2024/25, these are shown in **Table 3** (shown as Full Time Equivalents (FTEs))

**Table 3 – Potential Impact of Savings Proposals on FTEs 2024/25**

<b>Potential Headcount Reduction (including vacant posts, redundancies and volunteers for ER/VR)</b>	<b>Headcount Number</b>
Finance	3
Corporate Services	8
Place	5
Education (excluding schools)	6
Social Services	6
<b>Total</b>	<b>28</b>
<b>Indicative schools figure</b>	<b>FTEs</b>
Schools	TBC

- 7.2. The Council will remain committed to continue to work closely with Trade Unions to minimise the number of compulsory redundancies.
- 7.3. Trade Unions will be consulted on budgetary proposals and the S188 letter was issued on 12<sup>th</sup> January 2024. Consultation formally commenced on 12<sup>th</sup> January and will last for a minimum of 30 days.
- 7.4. It should be noted that consultation will be undertaken on a rolling basis outside the normal budget cycle, as the outcomes from commissioning and other reviews are presented to Cabinet. Consequently, in some Service Areas, it was not possible at the time of the formal meetings with the Trade Unions to give details of the precise impact on staff and the figures quoted were, therefore, overall estimates. Future meetings with Trade Unions will be used to provide more detail when this becomes available as future options are agreed.
- 7.5. A reduction in posts in 2024/25 will be unavoidable, given that the Council spends just over 50% of its overall budget on employees (significantly more in some Service Areas) and the national pay award remains unknown whilst

inflation remains high and will have to be funded from the Council's own resources.

7.6. As achieved and evidenced in previous years, and continuing the Council's current policy, every effort will be made to minimise compulsory redundancies. Management action includes:

- *Tight management of vacancies so that we manage the deletion of posts via natural wastage over time,*
- *The use of fixed term appointments where a post needs to be covered,*
- *Stopping the use of agency staff unless a clear business case can be made,*
- *Redeployment and retraining wherever possible,*
- *Further encouragement of staff to consider ER/VR options, including bumped redundancies,*
- *Encouraging staff to work flexibly e.g. reduce hours or job share,*
- *Flexible retirement.*

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

### ***Issues***

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

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

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

These figures will be updated on an ongoing basis.

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

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

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

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

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

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

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

### ***Background***

- 8.1. It is a requirement of the Local Government Finance Act 1992 that authorities have regard to the level of reserves when calculating their Budget Requirement. Whilst there is no prescribed statutory minimum level of reserves, account should be taken of the strategic, operational and financial risks facing the Council.
- 8.2. In assessing the adequacy of reserves account needs to be taken of the following general factors:
- treatment of inflation and interest rates,
  - level and timing of capital receipts,
  - treatment of demand led pressures,
  - expected performance against challenging budget requirements,
  - treatment of planned efficiency savings / productivity gains,
  - financial risks inherent in major capital developments and funding,
  - the availability of reserves, government grants and other funds,
  - general financial climate to which the authority is subject.
- 8.3. The Section 151 Officer continues, as set out below, to view General Reserves as already being at the absolute minimum safe level. Furthermore, as the revenue budget continues to grow, the relative value and thus acceptability to the Section 151 Officer of the already low absolute level of General Reserves diminishes further, albeit mitigated to some extent by the level of earmarked reserves. Any consideration on use of reserves to fund the 2024/25 Revenue Budget is dependent on the level of confidence in predicting 2023/24 Revenue Outturn and the overall draw from those reserves. At present it remains the case therefore that there should ordinarily be no planned use of general reserves for any future budgets and indeed an expectation of the Section 151 Officer that longer term, General Reserves will need to be bolstered to maintain their relative value when compared to the overall growth in budgets and risks and uncertainties faced.

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

- 8.4. In considering reserve levels Members should have specific regard to:-
- The report of the Section 151 Officer to Council on 7<sup>th</sup> December 2023 'Review of Revenue Reserves'
  - The guidance issued by Welsh Government and circulated to all Members advising on methods that might be employed when reviewing the overall reserves of the Council.

### ***General Reserves***

- 8.5. The General Reserve amounted to £10.000m at 1st April 2023.
- 8.6. The Revenue Budget for 2023/24 approved by Council on 2<sup>nd</sup> March 2023 assumed no transfer from General Reserves and there is no movement in the General Reserve currently expected during 2023/24, although any final determination on the use of reserves will depend on the outturn position for 2023/24.
- 8.7. In the opinion of the S151 Officer the level of the General Reserve is currently at the very minimum recommended level and as such there is no assumed transfer from the reserve to support the 2023/24 budget.

Therefore, the level of General Fund balances estimated at 31<sup>st</sup> March 2025 would be £10.000m.

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

### ***Contingency Fund***

- 8.8. The 3<sup>rd</sup> quarter financial monitoring report details several forecast uses of the Contingency Fund in 2023/24. At this time, it is anticipated that the original £6.118m 2023/24 budgeted contribution will be expended and/or used to fund the Council's final outturn position, including a contribution to the creation of a new equal pay provision. Given the overall position as forecast in the 3<sup>rd</sup> quarter budget monitoring report for 2023/24 considered elsewhere on this agenda, the forecast Fund balance as at 31<sup>st</sup> March 2024 is subject to final confirmation on outturn, but is currently expected to be nil.
- 8.9. In assessing the value of the Contingency Fund requirement in 2024/25, the following potential requirements are relevant:
- The risks and issues detailed in Section 11 below.
  - The need to provide a substantial potential source of finance for repeated potential overspending in services given past performance, bearing in mind the Council has now likely exhausted all other Earmarked Reserves.

- The continuing uncertainty for Public Finances as set out in the Cabinet report on 12<sup>th</sup> January and summarised in the MTFP report elsewhere on the agenda.
  - The expectation that any emerging additional inflationary pressures beyond the large already budgeted items (National Living Wage, pay awards and energy costs) should be a lower risk to the contingency fund in 2024/25.
- 8.10. Bearing the above in mind, together with the proposals in respect of funding current year service pressures within the 2024/25 base budget, and the reduced risk of repeating overspending from 2023/24 it is now recommended that the contribution to the base budget Contingency Fund in respect of 2024/25 is reduced by £2.550m to £3.568m depending upon any further budget decisions Cabinet is also minded to recommend. Again, this is considered the absolute minimum range necessary to be maintained in light of the likely risks and issues facing this Council.
- 8.11. Past experience has shown that whilst it is extant Council policy that any reduction in specific grant should be met from an equal reduction in service expenditure, there is often a lag between loss of grant and reduction in costs/change in service levels.

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

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

### ***Earmarked Reserves***

- 8.12. The Council retains earmarked reserves for specific purposes. The reasons for holding these reserves are documented and are subject to ongoing review and scrutiny. The forecast transfers to and from reserves are summarised in Appendix C. There are continuing material draws, as planned, from the time limited reserves for Social Services and Place.
- 8.13. On 7<sup>th</sup> December 2023 Council received and approved a report detailing a formal review and re-allocation of Earmarked Revenue Reserves. This report recommended re-allocating the Restructure Reserve as a Transformation Reserve as Cabinet agreed in April 2023 to fund the Workforce and OD Transformation Reserve from here.
- 8.14. From the usual list of specific grants announced by the Welsh Government for 2024/25 it appears that where there are reductions or freezes to grants these will have a significant impact on Swansea as a freeze will mean substantial real-terms cuts. These grant offers are still emerging, so the position is being monitored closely, it is likely there will be further staff impact and timing delays

may need to be funded from reserves, should they be too substantial for services to cover.

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

- 8.15. Following a review of the insurance fund, the level of the sums set aside to provide for future claims which are not known or only partly known at this time are thought to be adequate. Such claims can be very significant and can relate to past periods going back many years. So other than those draws agreed in the March 2023 report to Cabinet for Highways Infrastructure Assets, there will be no further draws from the insurance fund in the short term.

### ***Adequacy of Reserves***

- 8.16. Whilst the proposed use of Earmarked Reserves in 2024/25 funds one off and some recurring expenditure, taking into account the level of General and Earmarked Reserves which would be available should there be an overriding financial requirement, and the arrangements in place to monitor and manage financial risk in 2024/25 and future years, I am satisfied that the proposed management of reserves in 2024/25 will result in a forecast level of General Reserves, Earmarked Reserves and Provisions which may be considered adequate, subject to the potential financial implications of the risks described in Section 11 below and the final budget proposals recommended by Cabinet to Council.
- 8.17. Given the considerable risks and uncertainties facing the Council in 2024/25 and future years, it remains my advice as the officer designated with responsibility for the overall finances of the Council that the above represents reasonable prudent financial management having due regard to service pressures and funding constraints. Nevertheless, increasingly the risks associated with the budget, especially any non-deliverability in practice of planned savings remains very pronounced. This is especially important when viewed in the context of draws from General Reserves in 2017/18 and Earmarked Reserves in 2018/19, which cannot be repeated. Put simply and bluntly both those routes are now all but fully exhausted going forward and Council will have to consider some or all of the following in future years:
- Service reductions,
  - Reductions in future capital aspirations,
  - Further council tax increases each year,
  - Some short term draws from the earmarked reserves set up to manage budgets through to 2028/29, but with an explicit acceptance and understanding that these are one off mitigations only to enable longer term adjustment to the highly likely tighter public sector funding environment.

## **9. Budget Requirement and Council Tax 2024/25**

- 9.1. The Council's recommended requirement is set out in Appendix A. The City and County of Swansea Requirement of £587.610m will be financed partly by Revenue Support Grant of £345.346m and Non-Domestic Rates of £88.244m.

In light of ongoing uncertainties over the final RSG, final levies, specific grants, the continuation or otherwise of emergency economic support schemes, potentially unfunded excess costs of future pay awards and the long term capital spending aspirations set out in the Medium Term Financial Plan, the S151 Officer continues to be of the opinion that council tax for 2024/25 could prudently sit within a range of 3.00% to 7.00%, balancing affordability and the cost of living crisis today with the attendant growing risks and uncertainties of tomorrow and having due regard to the wellbeing of future generations.

Based on the report to Cabinet on 12<sup>th</sup> January 2024, and in line with assumptions contained in the Welsh Government's spending assessment for Swansea, a Council Tax rise of 5% would have generated a sum of £10.900m including assumptions on the council tax base. This is a band 'D' charge of £1,626.49.

Following consultation, it is proposed that Council Tax is increased by 5.99%, this sits within the range considered prudent by the S151 Officer and is based on requiring 4.99% for costs directly controlled by the Council, plus 1% to cover the expected increase in the Fire Authority Levy. This will generate a sum of £12.350m, a band D charge of £1,641.95.

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

- 9.2. Including Community Councils, the total requirement, after taking account of proposals in respect of reserve transfers and currently assumed savings, is £589.816m.
- 9.3. The above proposals are based on an indicative Council Tax rise which is within the range of planning assumptions of the Medium Term Financial Plan.

## **10. Summary of Funding 2024/25**

- 10.1. The implications of Sections 4, 5, 6, 7 and 8 above, together with the assumed 5.99% rise in Council Tax identified in Section 9 above, results in a forecast additional funding of £52.582m in 2024/25 as detailed in Table 4:

**Table 4 – Budget Proposals 2024/25**

	<b>£'000</b>
Savings Requirement as per Table 1(a)	24,924
Net effect of Council tax base increase and proposed charges	12,350
Aggregate External Finance increase	15,308
<hr/> <b>Overall resourcing</b>	<hr/> <b>52,582</b>

- 10.2. Cabinet is asked to consider whether, as a result of the consultation exercise, it wishes to make any further changes to the budget savings proposals for 2024/25 and, if so, any other consequential changes that may need to be addressed. The wholly expected and fully built in increase in AEF should be seen as an opportunity to maintain targeted investment into the Council's priorities and preventative action in particular, not to slow down the pace of change or the level of required savings.

## **11. Assessment of Risks and Uncertainties**

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

### ***(a) Implications of Specific 2023/24 Overspends***

The 3<sup>rd</sup> quarter financial monitoring report, discussed elsewhere on this agenda, highlights a number of service overspends, predominantly driven by pressures in social care, home to school transport and waste management. It is anticipated that sufficient funding has been built into the base budget for 2024/25 to mitigate the pressures. For any items over and above this, then adjustment via the Contingency Fund will have to be made for any items that are seen to re-occur.

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

All services will need to meet a range of additional / new pressures in 2024/25. These include the implications of new legislation; demographic changes; final completion of the single status appeals process; and other requirements including heightened inflationary risks in pay and prices in all areas. Whilst reasonable provision has been made for these costs, there is a risk that some items will result in overspends. In particular it has previously been the case that the cost of pay protection arising out of single status implementation can be funded centrally, going forward any and all costs that arise as a result of the appeals process will have to be met from within specific existing Directorate budgets.

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

It is essential in terms of the financial challenges facing the Council beyond 2024/25 that further savings proposals are continuously developed as part of the *Successful and Sustainable Swansea* programme, and are **implemented**



**over and above those proposed within this budget to provide some future headroom.** This will be a continuation of plans already underway and specifically include existing and the next waves of reviews which **must be rapidly turning recovery plans and assumptions into delivered reality, otherwise service savings will fail to be delivered and net spending pressure return to service budgets for which immediate corrective action will be required.**

The 2024/25 budget includes savings targets which must be fully achieved. **It is a fundamental requirement of the Council's financial procedure rules that Responsible Officers are required to manage expenditure within approved budgets of the Council and to that extent it is essential, should specific proposed budget savings be delayed or postponed, that alternative savings are fully achieved in year to meet approved Directorate Budgets.**

Given the nature and scale of the savings challenge during 2024/25, and more importantly further beyond, there will be continued monitoring and tracking of progress in achieving budget savings which will be reported to Corporate Management Team, Transformation Board and Cabinet through our usual performance and budget monitoring processes.

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

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

Where there have been specific announcements around minimum wage increases an estimate has been included around the potential additional costs that may fall to the Council from external contractors. Budgets for Energy costs have been transferred to services (Place and Schools), and as headline inflation has fallen considerably from this time last year a small reduction to the remaining provision has been made. Inflation still remains high and is still a concern for the Council.

#### ***(e) Care Home Fees***

Budget provision has been made for the 2024 contract settlement with care home providers. However, it is likely that fees will need to be further monitored given that the Council has to undertake an annual review of payments to care home providers which must be robust and evidenced – see specific provision for inflation above.

#### ***(f) Specific Grants***

In the increasingly likely event that the level of specific grants awarded for 2024/25 is less than that for 2023/24, it is essential that Directorates take action to manage such reductions within the proposed spending limits – i.e. there is no ongoing corporate provision for meeting such shortfalls. There is a clear expectation that expenditure will be cut to match the level of grant.

It is, however, acknowledged based on past experience that where specific grants are reduced there may be a time lag between reduction in funding and the Council's ability to reduce costs. It is equally clear that in some areas currently funded by specific grant the Council will, for operational or service reasons, wish to maintain expenditure. Any future bids for funding to cover loss of specific grants will have to be made against the already pressured contingency fund.

***(g) Equal Pay Back Payments***

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

Following widespread reporting of financial pressures especially in England, a review of equal pay claims is being carried out (in line with all other councils). Whilst it is early to definitively say a provision is needed, or for how much, this Council has prudently set aside a fully funded provision for equal pay during 2023/24.

***(h) Implementation of Single Status***

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

***(i) Council Tax Reduction Scheme***

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

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

Whilst Services are now operating business as usual there is still an ongoing impact from Covid for example where income levels have not recovered fully. There is no longer any form of grant funding available for Covid, and so any losses will need to be funded from within existing budgets initially and from the Contingency Fund otherwise.

***(k) Capital Financing Charges***

There is a risk that the funding ask (in respect especially of additional unsupported borrowing) highlighted in the Capital Budget report elsewhere on

the agenda will result in additional charges over and above the agreed budget provision.

The report on the Capital Programme for 2024/25 – 2028/29 elsewhere on this agenda highlights specific actions that need to be taken to mitigate against future increases in revenue costs linked to increases in unsupported borrowing and further externalisation of current debt. The risks of course are heavily mitigated by having externalised all anticipated medium term traditional capital borrowing requirements for the General Fund.

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

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

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

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

11.2. The above risks are both substantial and potentially significant in value. Therefore during 2024/25 specific actions are being put in place which will involve:-

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

## 12. Integrated Impact Assessment Implications

- 12.1. The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 12.2. The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 12.3. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 12.4. We know from previous years that, due to the scale of budget reductions, those with protected characteristics are likely to be affected. In assessing the impact of the budget proposals, we continue to attempt to ensure that any effect is not disproportionate and that we continue to focus on mitigation wherever possible. In this context the following should be noted:
- Where IIAs show potential significant impact with no possible mitigation, these proposals will be referred for further consideration,
  - for those IIAs where potential significant impact has been identified and mitigation has been possible, the associated action plans will be monitored and reviewed,
  - the outcomes of engagement will inform IIAs,
  - this is an ongoing process and as noted this statement and many IIAs will remain open for varying periods of time,
  - there is a focus on the council doing things differently in order to further deliver services that are flexible, citizen-centred, meet individual needs and are sustainable for the future.

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

12.6. As highlighted in Appendix F, the council is committed to protecting the vital frontline services that matter most to the people of Swansea, tackling poverty and looking after the most vulnerable in our communities. The council will continue to do everything it can to meet this challenging commitment given the financial constraints it faces. However, services may be provided in a different way in line with the 'Successful and Sustainable Swansea Corporate Transformation Plan'.

### **13. The Medium Term Financial Plan (MTFP) 2025/26 – 2027/28**

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

### **14. Legal Implications**

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

**Background papers:** None

#### **Appendices:**

Appendix 'A' Revenue Budget Summary 2024/25

Appendix 'B' Net Directorate Budget Proposals

Appendix 'C' Earmarked Reserves

Appendix 'D' Specific Savings Proposals and Service Investment

Appendix 'E' Summary of Consultation Responses

Appendix 'F' Integrated Impact Assessment Statement

Appendix 'G' Response of the Schools' Budget Forum

Appendix 'H' Directorate Budgets

<b>REVENUE BUDGET SUMMARY 2024/25</b>		<b>APPENDIX A</b>	
<b><i>DIRECTORATE</i></b>	<b>ORIGINAL</b>		<b>ORIGINAL</b>
	<b>BUDGET</b>		<b>BUDGET</b>
	<b>2023/24</b>		<b>2024/25</b>
	<b>£'000</b>		<b>£'000</b>
CORPORATE SERVICES	21,440		22,642
FINANCE (Including COUNCIL TAX REDUCTION SCHEME)	33,738		35,088
SOCIAL SERVICES (Including POVERTY AND PREVENTION)	156,975		171,001
EDUCATION	24,807		25,249
EDUCATION - DELEGATED TO SCHOOLS PLACE	189,670		201,820
	62,681		73,680
			0
<b><i>NET DIRECTORATE EXPENDITURE</i></b>	<b>489,311</b>		<b>529,480</b>
SPECIFIC PROVISION FOR INFLATION / APPRENTICESHIP LEVY	20,330		10,189
<i>OTHER ITEMS</i>			
<i>LEVIES</i>			
SWANSEA BAY PORT HEALTH AUTHORITY	89		84
CORPORATE JOINT COMMITTEE	212		191
<i>CONTRIBUTIONS</i>			
MID & WEST WALES COMBINED FIRE AUTHORITY	17,122		18,330
<i>CAPITAL FINANCING CHARGES</i>			
PRINCIPAL REPAYMENTS	15,574		15,574
NET INTEREST CHARGES	23,360		21,320
<b><i>NET REVENUE EXPENDITURE</i></b>	<b>565,998</b>		<b>595,168</b>
<i>MOVEMENT IN RESERVES</i>			
GENERAL RESERVES	0		0
EARMARKED RESERVES	-6,464		-7,976
<b><i>TOTAL BUDGET REQUIREMENT</i></b>	<b>559,534</b>		<b>587,192</b>
DISCRETIONARY RATE RELIEF	418		418
<b><i>TOTAL CITY AND COUNTY OF SWANSEA REQUIREMENT</i></b>	<b>559,952</b>		<b>587,610</b>
COMMUNITY COUNCIL PRECEPTS	1,829		2,206
<b><i>TOTAL REQUIREMENT</i></b>	<b>561,781</b>		<b>589,816</b>
<b><i>FINANCING OF TOTAL REQUIREMENT</i></b>			
REVENUE SUPPORT GRANT	339,280		345,346
NATIONAL NON-DOMESTIC RATES	79,002		88,244
COUNCIL TAX - CITY AND COUNTY OF SWANSEA	141,670		154,020
COUNCIL TAX - COMMUNITY COUNCILS	1,829		2,206
<b><i>TOTAL FINANCING</i></b>	<b>561,781</b>		<b>589,816</b>
<b><i>COUNCIL TAX BASE for the City and County of Swansea</i></b>	<b>91,454</b>		<b>93,803</b>
<b><i>COUNCIL TAX AT BAND 'D' (£) for the City and County of Swansea</i></b>	<b>1,549.08</b>		<b>1,641.95</b>
<b><i>GENERAL RESERVES</i></b>			
AT 1 APRIL	10,000		10,000
AT 31 MARCH	10,000		10,000

REVENUE BUDGET 2024/25							
NET DIRECTORATE BUDGET PROPOSALS							
	Corporate Services	Finance (Including Council Tax Reduction Scheme)	Social Services (Including Poverty and Prevention)	Education	Education - Delegated to Schools	Place	Total
	£000	£000	£000	£000	£000	£000	£000
<b>Original estimate 2023/24</b>	<b>21,440</b>	<b>33,738</b>	<b>156,975</b>	<b>24,807</b>	<b>189,670</b>	<b>62,681</b>	<b>489,311</b>
Directorate Transfers	0	0	0	0	0	0	0
<b>Original estimates following transfers</b>	<b>21,440</b>	<b>33,738</b>	<b>156,975</b>	<b>24,807</b>	<b>189,670</b>	<b>62,681</b>	<b>489,311</b>
Transfer to (+) / from (-) reserves 2023/24	0	0	-2,700	53	0	-835	<b>-3,482</b>
<b>Original estimate 2023/24 excluding reserves</b>	<b>21,440</b>	<b>33,738</b>	<b>154,275</b>	<b>24,860</b>	<b>189,670</b>	<b>61,846</b>	<b>485,829</b>
Transfers for specific items 2023/24	0	0	0	0	0	0	0
Baseline adjustments 2023/24	-124	0	1,050	984	0	90	2,000
<b>Adjusted service budgets 2023/24</b>	<b>21,316</b>	<b>33,738</b>	<b>155,325</b>	<b>25,844</b>	<b>189,670</b>	<b>61,936</b>	<b>487,829</b>
Baseline adjustments 2024/25	70	0	106	-160	128	4,417	4,561
Spending Needs	1,161	2,430	14,230	747	11,529	3,427	33,524
Pay inflation provision	992	550	4,685	1,060	12,700	4,965	24,952
Savings:							
Specific proposals	-897	-1,630	-6,045	-2,189	-12,207	-1,956	-24,924
<b>Original estimate 2024/25 excluding reserves</b>	<b>22,642</b>	<b>35,088</b>	<b>168,301</b>	<b>25,302</b>	<b>201,820</b>	<b>72,789</b>	<b>525,942</b>
Transfer to (-) / from (+) reserves 2024/25	0	0	2,700	-53	0	891	<b>3,538</b>
<b>Net Directorate budgets 2024/25</b>	<b>22,642</b>	<b>35,088</b>	<b>171,001</b>	<b>25,249</b>	<b>201,820</b>	<b>73,680</b>	<b>529,480</b>

APPENDIX B

## REVENUE BUDGET 2024/25

### EARMARKED RESERVES

	Balance 31/03/23 £000	2023/24 £000	Balance 31/03/24 £000	2024/25 £000	Balance 31/03/25 £000
<b>DIRECTORATE RESERVES</b>					
Equalisation reserves	-23,386	0	-23,386	1,350	-22,036
Commuted sums	-8,025	253	-7,772	130	-7,642
Repair & renewal funds	-2,311	-200	-2,511	-235	-2,746
Profit share	-1,694	-66	-1,760	-66	-1,826
Service reserves	-38,681	6,055	-32,627	10,225	-22,402
<b>TOTAL DIRECTORATE RESERVES</b>	<b>-74,096</b>	<b>6,042</b>	<b>-68,055</b>	<b>11,404</b>	<b>-56,651</b>
<b>CORPORATE RESERVES</b>					
Contingency Fund	0	-4,764	-4,764	-3,591	-8,355
Insurance	-20,427	0	-20,427	0	-20,427
Job Evaluation earmarked	0	0	0	0	0
Transformation/Efficiency	-33,823	19,390	-14,433	144	-14,289
<b>TOTAL CORPORATE RESERVES</b>	<b>-54,251</b>	<b>14,627</b>	<b>-39,624</b>	<b>-3,448</b>	<b>-43,071</b>
<b>UNUSABLE/TECHNICAL RESERVES</b>	<b>-2,815</b>	<b>19</b>	<b>-2,795</b>	<b>19</b>	<b>-2,776</b>
<b>SCHOOLS DELEGATED RESERVES*</b>	<b>-20,155</b>	<b>0</b>	<b>-20,155</b>	<b>0</b>	<b>-20,155</b>
<b>TOTAL RESERVES</b>	<b>-151,317</b>	<b>20,688</b>	<b>-130,629</b>	<b>7,976</b>	<b>-122,653</b>

\* There is no updated information available for schools for 2023/24 or 2024/25. However reserve use is expected to be substantial during both 2023/24 and 2024/25 (up to £10m)

In addition to the above, there will be draws from both the Capital Equalisation Reserve and the Insurance Reserve to fund Highways Capital works (up to £5m over 2 years)

Again in addition to the above, there could be further draws from the Capital Equalisation Reserve for future potential capital acquisitions

The Quarter 3 Monitoring Report highlights the possibility of an overspend in the region of £3m - £4m, this could be a further draw if not resolved



## Part 1 – Savings Proposals

Director	Head of Service Budget	Description	Savings 2024/25 £'000	Transformation Project
Corporate Services	Communication Service	Restructure Corporate Marketing	62	Business as Usual
Corporate Services	Communications Service	Standardise official driver employment terms	17	Business as Usual
Corporate Services	Communications Service	Restructure corporate support services (Delete 0.5 vacant post)	22	Business as Usual
Corporate Services	Communications Service	Restructure corporate support services (Delivery Unit))	60	Business as Usual
Corporate Services	Communications Service	Restructure corporate support services (Policy & Development Support)	62	Business as Usual
Corporate Services	Digital and Customer Services	Remove surplus training budget	15	Business as Usual
Corporate Services	Digital and Customer Services	Mobile Phone saving	16	Digital Transformation Programme
Corporate Services	Digital and Customer Services	Licences saving	33	Digital Transformation Programme
Corporate Services	Digital and Customer Services	No renewal of RecordPoint Licences Contract	48	Business as Usual
Corporate Services	Digital and Customer Services	Restructure digital project management team	55	Business as Usual
Corporate Services	Digital and Customer Services	Contracts saving	290	Business as Usual
Corporate Services	Director	Non-staff spend savings (different ways of working)	39	Business as Usual
Corporate Services	Director	Reduce expenditure on senior management as part of review	45	Business as Usual
Corporate Services	HR & Service Centre	Pay inflation increase to Schools WOD SLA	25	Business as Usual
Corporate Services	Legal Democratic Services & Business Intelligence	Pay inflation increase to Legal SLA	7	Business as Usual
Corporate Services	Legal Democratic Services & Business Intelligence	Restructure corporate support services (Cabinet)	36	Business as Usual

Director	Head of Service Budget	Description	Savings 2024/25 £'000	Transformation Project
Corporate Services	Legal, Democratic Services & Business Intelligence	Removal of surplus budget from Welsh Translation Unit budget	65	Business as Usual
		<b>Corporate Services Total</b>	<b>897</b>	
Education	Non-Delegated	Increase rent for caretakers' houses	1	Business as Usual
Education	Non-delegated	Cost recovery of project officers for capital schemes	7	Right Schools in Right Places
Education	Non-delegated	Reduced staff hours in Management Systems Team	10	Business as Usual
Education	Non-delegated	Review of broadband contract for schools	15	Business as Usual
Education	Non-delegated	Reduce cost centre for historical pensions	20	Business as Usual
Education	Non-delegated	Business support review	21	Business as Usual
Education	Non-Delegated	Review of ALN transport - minibus pilot	25	Transforming Additional Learning Needs
Education	Non-delegated	Rationalisation of post-16 transport, reflecting reduced demand	30	Business as Usual
Education	Non-delegated	Offset salary costs in School Improvement Team	32	Business as Usual
Education	Non-delegated	New online payments provider for school meals	35	Business as Usual
Education	Non-delegated	Delete absence management officer post from structure	48	Business as Usual
Education	Non-delegated	Independent and out of county school contracts	50	Business as Usual
Education	Non-Delegated	Better targeting of Education otherwise than at school (EOTAS) spending following full implementation of new model of provision	150	Transforming Additional Learning Needs
Education	Non-Delegated	Enhance in County provision reducing out of county costs	431	Transforming Additional Learning Needs
Education	Non-Delegated	Continuing review and rationalisation of the directorate.	600	Business as Usual
Education	Non-Delegated	Increase charge to clerk school governing body meetings	1	Business as Usual
Education	Non-Delegated	Increase charge to schools for Home Tuition	5	Business as Usual
Education	Non-Delegated	ALN equipment for schools	25	Business as Usual

Director	Head of Service Budget	Description	Savings 2024/25 £'000	Transformation Project
Education	Non-Delegated	Transfer Health and safety budget and hold provision corporately	74	Business as Usual
Education	Non-Delegated	Increase Cleaning SLA charges for schools	100	Business as Usual
Education	Non-Delegated	Transfer Schools at Risk budget and hold provision corporately	109	Business as Usual
Education	Non-Delegated	Increase charges for Catering service and SLA for schools	400	Business as Usual
		<b>Education (Non-Delegated) Total</b>	<b>2,189</b>	
Finance	CTRS	Further CTRs savings on top up to another 10%	40	Business as Usual
Finance	CTRS	Rebase Council Tax Reduction Scheme	1,400	Business as Usual
Finance	Directorate	Miscellaneous budget reductions/efficiencies	97	Business as Usual
Finance	Revenues and Benefits	Accelerate agreed Revs and Benefits changes	93	Business as Usual
		<b>Finance Total</b>	<b>1,630</b>	
Place	Building Services	Additional income generation through significantly increased work programme	700	More Homes Programme and Right Schools in Right Places
Place	Cultural Services (Foreshore income generation)	Increase fees and income targets in line with inflation	10	Business as Usual
Place	Cultural Services (Leisure)	Resume 'bid' payment reductions for Leisure partner	300	Business as Usual
Place	Cultural Services (Libraries)	Reduce the Library staffing budget to reflect current staff turnover	179	Business as Usual
Place	Cultural Services (special events)	Do not progress the additional proposed new Christmas Light show event as now established at Margam park.	60	Business as Usual
Place	Directorate	Review Place management structure on completion of Council JE scheme review	60	Business as Usual
Place	Highways & Transport	Increase charges and income from Marina and Knab Rock In line with inflation	20	Business as Usual
Place	Highways & Transport	Increase street works and licencing fees annually in line with inflation	25	Business as Usual
Place	Highways & Transport	Review Parking Services Team	25	Business as Usual
Place	Highways & Transport	Additional Energy saving from implementing LED lamps from extra investment	30	Business as Usual

Director	Head of Service Budget	Description	Savings 2024/25 £'000	Transformation Project
Place	Highways & Transport	Operate an Additional Parking Enforcement camera car	43	Business as Usual
Place	Highways & Transport	Activate bus lane and other moving traffic offences camera enforcement at Junctions to assist in reducing traffic congestion and commuter delays	150	Business as Usual
Place	Housing & Public Health	Increase in Fee Income for Animal Licensing (food safety)	5	Business as Usual
Place	Housing & Public Health	Increase Food Safety and Trading Standards Fees by 15%	5	Business as Usual
Place	Housing & Public Health	Increase pest control fees to 15% for schools' contract and general pest control	5	Business as Usual
Place	Housing & Public Health	Review Public Health Service	6	Business as Usual
Place	Housing & Public Health	Reduction in number of air quality monitoring sites across Swansea & associated maintenance/servicing of equipment from end-of-life system	10	Business as Usual
Place	Housing & Public Health	Remove surplus security budget for cemeteries and crematory	11	Business as Usual
Place	Housing & Public Health	Increase in Fees for next 4 years Building Control (in accordance with Land Authority Building Charges Regulations 2010)	24	Business as Usual
Place	Housing & Public Health	Increase fees for registrars over the next 4 years by 5% annually.	32	Business as Usual
Place	Housing & Public Health	Increase fees for burials and Cremations over the next 4 years by 5% annually.	137	Business as Usual
Place	Planning	Increase Land Charges Income	5	Business as Usual
Place	Planning	Increase Planning Fee Income	25	Regeneration Programme
Place	Planning	Revise Swansea Market Rent Charges	50	Business as Usual
Place	Planning and Regeneration	Review Nature Conservation, Regeneration, Economic Development, & Planning sections	39	Business as Usual
		<b>Place (Total)</b>	<b>1,956</b>	
Social Services	Adult Integrated Services for Older People	Through contract efficiencies review the council payments and contributions for third party top up fees in residential care settings where alternatives care homes are available	50	Transforming Adult Services

Director	Head of Service Budget	Description	Savings 2024/25 £'000	Transformation Project
Social Services	Adult Integrated Services for Older People	Further remodelling in line with delivery of WG policy for a Healthier Wales and the rebalancing policy commitment. Ensuring appropriate levels of investment from WG and Health Board. Ensure S33 arrangement for intermediate care has equitable contributions. For Year 1 of the s saving target this is about reviewing workforce skills mix of the Council therapy teams to support focus of admission avoidance and ensuring appropriate levels of care. This will underpin best use of in-house capacity.	750	Transforming Adult Services
Social Services	Adult Services & Integrated Services for Older People	Continue progress to a different mix of delivery	350	Transforming Adult Services
Social Services	Adult Services (Both Areas)	Reduce discretionary spend, where appropriate e.g. taxi, supplies and services.	50	Business as Usual
Social Services	Adult Services, Prevention and Tackling Poverty	Increase fees for some Life Long Learning courses	45	Transforming Adult Services
Social Services	Adult Services, Prevention and Tackling Poverty	Change current model of extra care services and recommission a different operating model to achieve efficiencies and better outcomes for individuals	150	Transforming Adult Services
Social Services	Adult Services, Prevention and Tackling Poverty	Work though Complex Needs high-cost placements and establish a collaborative approach with Health for funding these packages of care to achieve a reduction in the overall costs of these packages due to more efficient and effective working with health in terms of new guidance around continuing health care cases	500	Transforming Adult Services
Social Services	Child & Family Services	Target financial support offered to care leavers in line with statutory duties, to ensure avoidable accommodation costs and discretionary spend is minimised, so that it is fair and equitable and in in line with core and grant spend in this area	50	Child and Family Services Transformation

Director	Head of Service Budget	Description	Savings 2024/25 £'000	Transformation Project
Social Services	Child & Family Services	Reduce the number of 16 - 17 years olds who become homelessness by re-modelling provision as a preventative service to understand move on plan for young people and to make sure all family options have been explored before placing in supported accommodation in line with core and grant spend in this area	50	Child and Family Services Transformation
Social Services	Child & Family Services	Reduce discretionary spend, where appropriate e.g. S17, taxi, supplies and services	100	Business as Usual
Social Services	Directorate	Fund non-statutory services to the minimum they require to successfully draw down grant funding (Training, Capital, Early Years)	300	Business as Usual
Social Services	Directorate	Ensure all back office processes are as business efficient as possible, which will reducing overall staffing costs through natural vacancies	300	Business as Usual
Social Services	Directorate	Review senior management structure	350	Business as Usual
Social Services	Directorate	Increase last years re-introduced vacancy provision	1,000	Business as Usual
Social Services	Directorate	Apply an uplift to areas of commissioned care services across Adult and Child & Family Services to enable providers to pay RLW and cover inflationary pressures	2,000	Business as Usual
		<b>Social Services Total</b>	<b>6,045</b>	
		<b>Grand Total</b>	<b>12,717</b>	

## Part 2 – Service Pressures and Investment

Director	Head of Service	Original Description	2024/25 £'000
Corporate Services	Communications Service	Policy Support Officer in the SDU	32
Corporate Services	Digital and Customer Services	Complaint staff salary cost increase from JE regrading	3
Corporate Services	Digital and Customer Services	Social Services Complaints investigators	23

Corporate Services	Digital and Customer Services	Safeguarding complaints	45
<b>Director</b>	<b>Head of Service</b>	<b>Original Description</b>	<b>2024/25 £'000</b>
Corporate Services	Digital and Customer Services	Shortfall in ICT Schools SLA Income budget	50
Corporate Services	HR & Service Centre	New Grade 5 post in Recruitment Team	34
Corporate Services	HR & Service Centre	Shortfall in HR SLA Income	37
Corporate Services	HR & Service Centre	Card Transaction Fees	170
Corporate Services	Legal Democratic Services & Business Intelligence	New PDF contract cost	5
Corporate Services	Legal Democratic Services & Business Intelligence	Changes to Pathology service delivered by local health board	15
Corporate Services	Legal Democratic Services & Business Intelligence	Modern Gov move to cloud	20
Corporate Services	Legal Democratic Services & Business Intelligence	Regrade 1 x Grade 7 Translator post to Grade 9 and create 1 x 0.5 FTE Grade 6 Office Manager for Welsh Translation Unit	30
Corporate Services	Legal Democratic Services & Business Intelligence	Creation of new Grade 10 Cabinet Office Manager post	62
Corporate Services	Legal Democratic Services & Business Intelligence	Increase to Councillors costs due to IRPW Report	101
		<b>Corporate Services Total</b>	<b>627</b>
Education	Non-Delegated	Regional School Improvement Service Charges	43
Education	Non-Delegated	Increased claims from Facilities Time Policy	50
Education	Non-Delegated	Catering - shortfall between universal free school meal grant and actual costs	204
Education	Non-Delegated	STF teaching assisant increase	450
		<b>Education Total</b>	<b>747</b>
Finance	Directorate	ISA 315 versus ISA 260 auditing duties - material increase in base external audit costs and further 6.4% fee proposed	100
Finance	Directorate	Invest in core finance staff for resilience/capacity (CX and S151 officer advice)	130
		<b>Finance Total</b>	<b>230</b>
Place	Highways & Transportation	Parking Offer / Income (Highways)	2,040

Place	Highways & Transportation	Drainage Team (temporary funding for 4 years)	350
<b>Director</b>	<b>Head of Service</b>	<b>Original Description</b>	<b>2024/25 £'000</b>
Place	Housing & Public Health	Poor Income Recovery Housing and Public Health (Cems)	104
Place	Housing & Public Health	Homelessness costs to comply with WG Policy	500
Place	Planning & Regeneration	Swansea Market	100
		<b>Place Total</b>	<b>3,094</b>
Social Services	Adult Services	Various Adult Services pressures including loss of income (grants), staff costs, inflationary contract costs and ongoing additional COVID-19 costs	50
Social Services	Child & Family Services	Various Child and Family Services pressures including loss of income (grants), staff costs, inflationary contract costs and ongoing additional COVID-19 costs	100
Social Services	Directorate	Social Care Pressures	1,000
Social Services	Directorate	Extra Directorate Pressures in addition to what is included above with 5% CPI added for coming years	4,580
		<b>Social Services Total</b>	<b>5,730</b>
Corporate	Inflation	Increased Home to School Transport Costs	2,804
		<b>Grand Total</b>	<b>13,232</b>

### Reinstatement of Deferred Savings 2023/24

<b>Director</b>	<b>Head of Service</b>	<b>Original Description</b>	<b>2024/25 £'000</b>
Corporate Services	Various	To replace savings deferred as decided by Council on 2nd March 2023	34
Place	Various	To replace savings deferred as decided by Council on 2nd March 2023	683
		<b>Total Deferred Savings</b>	<b>717</b>



## Interim Budget Consultation Results 2024

### 1. Residents Survey

A resident's survey was carried out in October to help us understand how people feel about our performance and to ensure that our future planning and priority setting aligns with what is needed. In total 1205 people took part in the residents' survey. Results from the survey gave us some initial indications about people's perceptions of issues and council services, and a steer on areas that people feel are important to them.

We asked respondents how the Council should prioritise areas in terms of financial investment, time and resources. Health and Social Care was ranked the highest priority, followed closely by Education. This supports our principle that Social Services and Education should remain the Council's priority in terms of future spend. In addition there was also a significant number of comments made in relation to the city centre, regeneration and place based activities which aligns to the current wellbeing objectives. The results of the resident's survey have been used to inform the annual budget process.

### 2. Budget Consultation

Consultation on the specific budget proposals ran from 12<sup>th</sup> January 2024 to 11<sup>th</sup> February 2024. A survey was produced detailing the council's budget proposals, giving people the opportunity to provide their feedback. In total 386 people took part in the general budget consultation survey. **(Please note the survey is still ongoing at the time of writing this report and results are interim as of 5<sup>th</sup> February)**

The consultation was available online at [www.swansea.gov.uk/budgetsurvey](http://www.swansea.gov.uk/budgetsurvey)

512 visits to our Budget Consultation webpages. The link on Staffnet went straight to the main budget page.

#### Communication and Social Media (up to 5<sup>th</sup> February)

The consultation was promoted across Swansea within the press and social media.

This resulted in:

- Two releases resulting in seven media mentions in print and online
- Seven social media mentions, seen by 10.4k on social media and 8.1kk via the council's online weekly newsletter.

#### Budget Consultation Summary Results (full results Appendix 1)

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

- Future funding of services
- Council Fees and Charges
- Social Care budget principles
- Budget Report

#### Future funding of services

**80%** Would you prefer for the Council to deliver services in a different way, rather than lose them?

**55%** Would you be prepared to accept a higher increase in Council to fund services rather than lose them?

**53%** Would accept Council Tax increase in line with inflation levels.

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

Areas which were selected the most are outlined below:

- 62% Care for Older People and Disabled Adults
- 59% Street/Road Repairs
- 52% Keeping Children Safe
- 48% Tackling Poverty
- 46% Housing and Homelessness
- 42% School Improvements
- 42% Parks & Green Spaces
- 42% Transport services/ Bus station

### Council Fees and Charges

- 77% Agree with the proposed principle to increase our fees and charges in line with inflation rises.
- 43% Agree with the proposed principle to increase our fees and charges to recover all costs of providing our services.

### Social Care Budget Principles

Respondents were asked a series of questions around the budget principles for Social Care Agree with the principles:

- 87% Maximise income (client, grant and recharge) and business efficiency,
- 92% Minimise management cost/ overheads,
- 90% Implement most cost-effective workforce mix,
- 85% Implement most cost-effective models of care at both a service level and for individual recipients of care,
- 91% Prioritise delivery of a safe statutory offer,
- 89% Minimise cuts to prevention/early help where there will be obvious increased recourse to more expensive statutory provision,
- 88% Delivery of grant funded services must be contained within the grant envelope.

### Budget Report

Due to the nature of this year's budget, there were no specific budget proposals which required public consultation at this time. Comments on the overall budget report were sought, to date 107 comments have been received.

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

### Choose your preferred language

#### Dewiswch eich dewis iaith

385 (99.7%)	English	1 (0.3%)	Cymraeg
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If you require this survey in an alternative format e.g. large print please email [consultation@swansea.gov.uk](mailto:consultation@swansea.gov.uk) or tel 01792 636732

#### Are you ...

267 (69.2%)	A member of the public	7 (1.8%)	A third sector organisation/partner organisation (please specify)
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39 (10.4%)	Making the Council more commercial	134 (35.6%)	Children's Play / Youth Services
195 (51.9%)	Keeping Children Safe	102 (27.1%)	Developing Swansea City Centre
159 (42.3%)	School improvements	103 (27.4%)	Refuse Collection
138 (36.7%)	Additional Learning needs	111 (29.5%)	Recycling services
139 (37.0%)	Education services	118 (31.4%)	Street cleaning
73 (19.4%)	Adult learning	159 (42.3%)	Parks & Green Spaces
222 (59.0%)	Street/Road Repairs	103 (27.4%)	Sports, Leisure & Cultural Facilities
43 (11.4%)	Traffic Management	157 (41.8%)	Transport services/ Bus station
54 (14.4%)	Car Parking	24 (6.4%)	Other (write in)
59 (100.0%)			

## Council Fees and Charges

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

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

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

	<b>Strongly Agree</b>	<b>Tend to Agree</b>	<b>Tend to Disagree</b>	<b>Strongly Disagree</b>
Increase our fees and charges in line with inflation rises	67 (18.0%)	220 (59.0%)	50 (13.4%)	36 (9.7%)
Increase our fees and charges to recover all costs of providing our services	32 (9.0%)	117 (32.8%)	119 (33.3%)	89 (24.9%)

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

97 (100.0%)

## Social Care

The cost of social care continues to accelerate, however the funding from Welsh Government available to meet the demands and rising costs is not sufficient to keep pace and therefore we have established a set of budget principles to apply for us to meet this challenge now and in future years which are:

- Maximise income (client, grant and recharge) and business efficiency
- Minimise management cost/ overheads
- Implement most cost-effective workforce mix
- Implement most cost-effective models of care at both a service level and for individual recipients of care
- Prioritise delivery of a safe statutory offer
- Minimise cuts to prevention/ early help where there will be obvious increased recourse to more expensive statutory provision
- Delivery of grant funded services must be contained within grant envelope

By applying these budget principles it will help us manage spend going forward.

### Do you agree or disagree with our budget principles for Social Care?

	<b>Strongly Agree</b>	<b>Tend to Agree</b>	<b>Tend to Disagree</b>	<b>Strongly Disagree</b>
Maximise income (client, grant and recharge) and business efficiency	129 (36.0%)	184 (51.4%)	33 (9.2%)	12 (3.4%)
Minimise management cost/ overheads	201 (54.9%)	134 (36.6%)	22 (6.0%)	9 (2.5%)
Implement most cost-effective workforce mix	157 (43.6%)	167 (46.4%)	32 (8.9%)	4 (1.1%)
Implement most cost-effective models of care at both a service level and for individual recipients of care	137 (38.2%)	168 (46.8%)	45 (12.5%)	9 (2.5%)
Prioritise delivery of a safe statutory offer	145 (41.4%)	175 (50.0%)	23 (6.6%)	7 (2.0%)
Minimise cuts to prevention/ early help where there will be obvious increased recourse to more expensive statutory provision	202 (56.7%)	116 (32.6%)	31 (8.7%)	7 (2.0%)
Delivery of grant funded services must be contained within grant envelope	117 (33.6%)	190 (54.6%)	33 (9.5%)	8 (2.3%)

### Is there anything else we could be doing to differently to manage spend in Social Care?

105 (100.0%)

## Views on our budget

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

107 (100.0%)

### Welsh Language Impact:

Do you have any concerns or evidence to suggest that the Council is treating/using the Welsh language less favourably than English in relation to its proposed budget for 2024/25?

164 (100.0%)

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

22 (100.0%)

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

81 (100.0%)

## About You: Finding out who has taken part

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

### Are you...?

109 (29.2%)	Male	4 (1.1%)	Prefer to self-describe (write in)
223 (59.8%)	Female	37 (9.9%)	Prefer not to say

3 (100.0%)

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

328 (89.1%)	Yes	39 (10.6%)	Prefer not to say
1 (0.3%)	No		

### How old are you ...

0 (0.0%)	Under 16	78 (20.7%)	56 - 65
6 (1.6%)	16 - 25	59 (15.7%)	66 - 75
32 (8.5%)	26 - 35	20 (5.3%)	76 - 85
68 (18.1%)	36 - 45	3 (0.8%)	Over 85
72 (19.1%)	46 - 55	38 (10.1%)	Prefer not to say

### How would you describe your national identity?

#### Please mark all that apply

181 (48.1%)	British	2 (0.5%)	Other British (please write in at end)
187 (49.7%)	Welsh	6 (1.6%)	Non British (please write in at end)
16 (4.3%)	English	0 (0.0%)	Refugee/Asylum Seeker (please write in current/last nationality at end)
7 (1.9%)	Irish	30 (8.0%)	Prefer not to say
2 (0.5%)	Scottish		

### Write in here

8 (100.0%)

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

310 (83.8%)	White - Welsh, English, Scottish, Northern Irish or British	1 (0.3%)	Asian or Asian British - Pakistani
5 (1.4%)	White - Irish	0 (0.0%)	Asian or Asian British - Bangladeshi
0 (0.0%)	White - Gypsy or Irish Traveller	1 (0.3%)	Asian or Asian British - Chinese
0 (0.0%)	White - Roma	1 (0.3%)	Any other Asian background (please write in at end)
6 (1.6%)	Any other White background (please write in at end)	0 (0.0%)	Black or Black British - Caribbean
1 (0.3%)	Mixed - White & Black Caribbean	1 (0.3%)	Black or Black British - African
2 (0.5%)	Mixed - White & Black African	0 (0.0%)	Any other Black background (please write in at end)
1 (0.3%)	Mixed - White & Asian	0 (0.0%)	Arab
1 (0.3%)	Any other Mixed background (please write in at end)	2 (0.5%)	Other ethnic group ( please write in at end)
1 (0.3%)	Asian or Asian British - Indian	37 (10.0%)	Prefer not to say

**Write in here**

6 (100.0%)

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

158 (43.1%)	No religion	0 (0.0%)	Muslim
159 (43.3%)	Christian (all denominations)	1 (0.3%)	Sikh
2 (0.5%)	Buddhist	4 (1.1%)	Other
0 (0.0%)	Hindu	43 (11.7%)	Prefer not to say
0 (0.0%)	Jewish		

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

6 (100.0%)

**What is your sexual orientation**

7 (1.9%)	Bisexual	53 (14.8%)	Prefer not to say
15 (4.2%)	Gay/ Lesbian	6 (1.7%)	Other
278 (77.4%)	Heterosexual		

**Please write in**

8 (100.0%)

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

58 (15.8%)	Understand spoken Welsh	61 (16.6%)	Learning Welsh
31 (8.4%)	Speak Welsh	200 (54.3%)	None of these
37 (10.1%)	Read Welsh	47 (12.8%)	Prefer not to say
20 (5.4%)	Write Welsh		

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

339 (92.1%)	English	5 (1.4%)	Other (write in)
26 (7.1%)	Welsh	29 (7.9%)	Prefer not to say

**Please write in**

13 (100.0%)

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

94 (25.5%)	Yes	42 (11.4%)	Prefer not to say
233 (63.1%)	No		

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

64 (17.7%)	Yes	48 (13.3%)	Prefer not to say
250 (69.1%)	No		

**Thank you for your participation**



## Integrated Impact Assessment (IIA) Statement for Swansea Council's Budget 2024/25

### 1. Introduction

This statement provides an overall view of the budget IIA process for the Council, along with any specific relevant details for 2024/25.

The budget is set for the council's operation which covers a wide range of services delivered to the citizens of Swansea. This includes both providing and commissioning of services from other organisations and agencies. We, like other local authorities, will be facing a reduction in budgets every year for the foreseeable future. We also need to manage increased expectation and demand for services and financial pressures in a number of areas across the Council.

The council has faced unprecedented financial pressures over the last few years due to government budget reductions, increased demand for services and extra costs such as vehicle fuel inflation and social care. We think our funding from Welsh Government, whilst moderately positive this year, will not increase our immediate real terms spending power, nor is it likely to increase significantly in future years. This means we will continue to have less to spend in real terms at a time when demand for services like social care is rising. The result of this is a need to find savings of £24.9m in 2024/25 and roughly £55m savings over the next four years.

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

During 2023, the authority updated and replaced the 'Swansea – Achieving Better Together' transformation strategy and programme framework with the latest 'Successful and Sustainable Swansea Corporate Transformation Plan' as a means of setting Council priorities, transforming services and addressing current and future deficits.

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

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

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

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

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

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

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

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

- An initial screening exercise (to identify whether a full IIA report is necessary)
- Completion of a full IIA report (where required)
- Quality assurance and feedback
- Sign off at Head of Service level
- Publication on the Council's website alongside the relevant report
- Review.

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

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

## **3. Assessing impact**

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

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

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

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

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

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

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

#### 4. Consultation and engagement

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

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

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

#### 5. Local information

The Council delivers services to all the citizens of the City & County of Swansea. The overall population profile from the latest population estimates (mid-2022) and 2021 Census is as follows:

- Within an overall population of **241,300**, the gender split of the **City & County of Swansea** is **50.5% Female** (121,800 people) and **49.5% Male** (119,500 people).
- Children and young people **aged 0-25 years** represent **31.2%** of the population, or **75,300** people.
- **Over 50s** represent **39.8%** of the population (96,100 people), of which around **49,700** are over 65 (20.6% of the total population).
- In 2021, **8.6%** of the total population of Swansea (around **20,400** people) came from an ethnic minority background. In terms of religion, **11,300** people (**4.7%** of the population) belonged to non-Christian faiths with 47.3% (112,700 people) having no religion.
- **22.4% (53,500 people)** were disabled under the Equality Act in 2021. **6.3%** of those aged 16+ (**12,500 people**) were economically inactive due to long term sickness or disability.
- There were **26,000** Welsh speakers in Swansea in 2021, or **11.2%** of the population aged 3+. **42,500** people (18.3%) had one or more skills in Welsh.

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

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

## **6. Staffing**

The Cabinet report in February 2024 referred to 28 posts at risk throughout the Authority, not including any impact in schools. Heads of Service have been provided with the same advice as in previous years that where post is at risk consideration should be given as to whether there is any potential adverse impact and to follow the IIA process. Unions to minimise the number of compulsory redundancies in the future.

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

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

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

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

These figures will be updated on an ongoing basis.

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

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

## **7. Publication Arrangements**

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

## **8. Conclusion**

We know from previous years that, due to the scale of budget reductions, those with protected characteristics are likely to be affected. In assessing the impact of the budget proposals, we continue to attempt to ensure that any effect is not disproportionate and that

we continue to focus on mitigation wherever possible. In this context the following should be noted:

- where IIAs show potential significant impact with no possible mitigation, these proposals will be referred for further consideration,
- for those IIAs where potential significant impact has been identified and mitigation has been possible, the associated action plans will be monitored and reviewed,
- the outcomes of engagement will inform IIAs,
- this is an ongoing process and as noted this statement and many IIAs will remain open for varying periods of time,
- there is a focus on the council doing things differently in order to further deliver services that are flexible, people-centered, meet individual needs and are sustainable for the future.

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

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



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



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

29.01.2024

Dear Councillor Stewart,

### **School Budget Forum Response to Budget Consultation**

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

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

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

Swansea schools do not fare well financially. As has been noted in previous years, the Council can do nothing about the fact that the settlement it receives from the Welsh Government is relatively poor, ranking it around 17/18<sup>th</sup> out of the 22 local authorities. We appreciate the £6M of additional funding the council used in 2023-24, from its reserves to support schools with rising energy costs through a utilities grant, and whilst accepting the method by which this support was delivered would inevitably affect the education quantum and its budgeted expenditure per pupil. We did not, however envisage that the resultant impact would see our budgeted expenditure per pupil fall to our lowest ranking of 21<sup>st</sup> of the 22 local authorities in 2023-24 (Source: Welsh Government Statistical Bulletin 6 July 2023 SB 26/2023).

The Forum is appreciative of the council's continuing relative prioritisation of education spending and we are thankful that you have directed the whole of the future schools replacement ICT reserves to help avoid immediate crisis in 2024-25. It is also appropriate to note the near certain impact this will have on both our budgeted expenditure per pupil and net revenue increase in 2024-25. When the Welsh Government Statistical Bulletin for said year is released this summer that will likely see our budgeted expenditure per pupil ranking rise to its highest ever position and our net revenue increase to be well above the national average. Whilst we appreciate this funding boost, we must point out the genuine concern that we are simply deferring a

looming funding crisis towards an inevitable cliff edge in 2025-26 and that we will inevitably, also have to rebalance the money drawn from the future schools ICT replacement reserve.

Our schools' reserves dropped by 30% in 2022-23, are expected to drop a further 50% in 2023-24 and we face the likelihood of them being fully exhausted in 2024-25.

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

We are not yet funded for the further 5% uplift in teachers pensions costs. We seek urgent clarity and transparency on assured funding coming through to our schools but fully accept you are yourself entirely waiting on a delayed UK Government decision and subsequent Welsh Government action.

The immediate and future impact on schools and education in Swansea are:

- Our ability to deliver reform agenda (Curriculum for Wales, ALN, Community Focussed Schools, UFSM, Mitigating the impact of poverty) at school and local authority level
- Pupils struggling to maintain their place in school - low attendance, rise in exclusions, with need for more expensive provision
- Supporting the needs of learners post-pandemic requiring greater support staffing and nurture/ care provision
- Insufficient ALN revenue funding
- Fewer staff in central education teams at a time when schools need more support for vulnerable learners
- Challenges in recruitment and retention
- Individual school reserves in rapid decline
- Reserves being used to maintain safe environments
- Not enough money to deliver statutory education services
- Uncertainty about the future

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

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

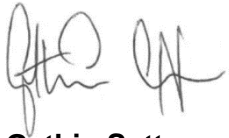
The Forum shares the council's belief that we must together keep up the pressure on both governments and continue to press for both fairer and better funding for education. This needs to be in two parts; firstly, the UK government needs to ensure Welsh Government is fairly funded; secondly, Welsh Government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

Future funding settlements must fully fund the significant areas of unavoidable cost pressures facing education services, as indeed must any future Welsh Government Budget. Decisions made by the UK or Welsh Governments that result in additional cost pressures for schools, must be wholly funded and maintained in base budget settlements. These would include teacher and other pay awards (including increases in the national minimum wage), teacher pension cost increases, changes to free school meal entitlement, revised ALN legislation against a context of already spiralling expectations of support for pupils with additional learning needs, as well as the impact of more general demographic trends. There also needs to be a more appropriate balance between the base education funding available through the revenue support grant and the increasing range of specific grants, many of which arrive late in the financial year, and all of which have their own terms and conditions. The percentage of education and schools' funding that grants currently represent is too high. However well-intentioned, such funding is inevitably time-limited, often inappropriately, with specific terms and conditions for use, and inevitably short-term focused. This method of providing funding is uncertain, inefficient and does not enable effective financial planning in the

medium or longer term. Without equitable and adequate base funding for core statutory education provision, it is also potentially ineffective.

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

Yours sincerely



**Gethin Sutton**

Chair of Swansea Budget Forum



**Believe it! Achieve it!**



## Revenue Budget 2024/2025

**Corporate Services**

	<b>ORIGINAL BUDGET 2023/2024 £</b>	<b>ORIGINAL BUDGET 2024/2025 £</b>
<b>Corporate Services Directorate</b>		
Director of Corporate Services	191,800	480,200
	<b>191,800</b>	<b>480,200</b>
<b>Chief Legal Officer</b>		
Coroners	790,900	807,300
Democratic Services	3,259,400	3,460,700
Information Governance Unit	171,400	156,000
Legal Services	2,516,300	2,668,800
Overview & Scrutiny Unit	182,700	221,000
Welsh Translation Unit	286,600	201,000
	<b>7,207,300</b>	<b>7,514,800</b>
<b>Head of Digital &amp; Customer Services</b>		
Customer Services & Complaints	1,038,300	1,165,700
Digital Services	7,050,600	7,170,000
	<b>8,088,900</b>	<b>8,335,700</b>
<b>Head of Communications &amp; Marketing</b>		
Access to Services	118,600	121,900
Human Rights	47,100	49,000
Communications	458,700	471,000
Corporate Management Team Support	322,400	286,300
Corporate Marketing	267,800	201,900
Design & Print	-76,300	-59,900
Health & Safety	1,193,500	1,340,600
Strategic Delivery Unit	667,800	585,800
	<b>2,999,600</b>	<b>2,996,600</b>
<b>Head of Human Resources &amp; Service Centre</b>		
Human Resources & Organisational Development	776,300	805,200
Service Centre	2,176,100	2,509,800
	<b>2,952,400</b>	<b>3,315,000</b>
<b>Total Corporate Services</b>	<b>21,440,000</b>	<b>22,642,300</b>

# Revenue Budget 2024/2025

## Finance

	<b>ORIGINAL BUDGET 2023/2024 £</b>	<b>ORIGINAL BUDGET 2024/2025 £</b>
<b>Deputy Section 151 Officer</b>		
Audit	739,000	752,700
Finance DMT	972,200	1,089,600
Accountancy	1,412,400	1,459,500
Pensions	98,200	139,800
Treasury & Technical	583,000	603,500
	<b>3,804,800</b>	<b>4,045,100</b>
<b>Head of Revenues &amp; Benefits</b>		
Revenues	949,000	1,055,700
Benefits	3,711,800	3,930,900
Council Tax Reduction Scheme	24,512,000	25,272,000
	<b>29,172,800</b>	<b>30,258,600</b>
<b>Head of Commercial Services</b>		
Commercial Team & Procurement	760,400	784,000
	<b>760,400</b>	<b>784,000</b>
<b>Total Finance</b>	<b>33,738,000</b>	<b>35,087,700</b>

# Revenue Budget 2024/2025

## Social Services

	ORIGINAL BUDGET 2023/2024 £	ORIGINAL BUDGET 2024/2025 £
<b>Adult Services, Prevention &amp; Tackling Poverty</b>		
Commissioned Third Sector Services	695,800	768,800
Internal Staffing & Services - Assessment Care Planning	4,024,009	4,436,700
Internal Staffing & Services - Direct Service Provision	13,299,296	14,568,200
Internal Staffing & Services - Other	3,858,656	4,483,200
LD Commissioned Care	16,822,099	17,047,400
LD Direct Payments	2,138,205	2,392,800
LD Dom Care	0	268,200
LD External Residential Care	3,278,300	4,530,300
MH Direct Payments	178,752	192,900
MH Dom Care	0	364,200
MH External Residential Care	3,008,800	5,191,500
Tackling Poverty Service	1,027,092	1,052,500
	<b>48,331,009</b>	<b>55,296,700</b>
<b>Child &amp; Family Services</b>		
Adolescent & Young People's Services	2,825,979	2,906,800
Adoption Services	1,689,583	1,733,000
Care & Support Services	5,478,023	5,756,400
Commissioned Services - Gower Activity Centres	152,550	165,500
Commissioning & Care Services	4,414,908	4,521,900
Commissioning & Care Services (Fostering)	8,386,362	8,963,100
Commissioning & Care Services (Independent Placements)	9,878,000	11,098,000
Direct Payments	2,352,753	2,378,400
Domestic Abuse	538,434	567,400
Early Help & Single Point of Contact	3,684,907	4,159,900
Family Support Services	2,514,852	2,661,700
In-house Residential Care	967,190	988,400
Internal Staffing & Services	5,339,799	5,281,200
Therapy	752,776	762,300
	<b>48,976,116</b>	<b>51,944,000</b>
<b>Grants, Commissioning &amp; Partnerships</b>		
Commissioned Services	1,158,000	1,158,000
Internal Staffing & Services	2,341,568	2,430,700
	<b>3,499,568</b>	<b>3,588,700</b>

# Revenue Budget 2024/2025

## Social Services

	ORIGINAL BUDGET 2023/2024 £	ORIGINAL BUDGET 2024/2025 £
<b>Integrated Services for Older People</b>		
Carers Direct Payments	111,719	119,800
Internal Staffing & Services - Assessment Care Planning	4,470,414	4,637,500
Internal Staffing & Services - Homecare	5,827,487	5,793,700
Internal Staffing & Services - Other	2,289,632	1,730,000
OP Direct Payments	1,084,799	1,233,500
OP External Dom Care	10,452,387	11,357,400
OP External Residential Care	19,665,999	22,868,500
PD Supported Living	0	1,273,600
Transformation	234,388	246,000
YA Direct Payments	1,631,109	1,778,300
YA External Dom Care	1,595,648	405,800
YA External Residential Care	2,231,300	2,005,100
	<b>49,594,882</b>	<b>53,449,200</b>
<b>Resources Hub</b>		
Internal Staffing & Services	6,573,425	6,722,400
	<b>6,573,425</b>	<b>6,722,400</b>
<b>Total Social Services</b>	<b>156,975,000</b>	<b>171,001,000</b>

# Revenue Budget 2024/2025

## Education

	ORIGINAL BUDGET 2023/2024 £	ORIGINAL BUDGET 2024/2025 £
<b>Delegated Schools</b>		
Energy Inflation	0	4,500,000
School Cost Centres	189,670,000	197,320,000
	<b>189,670,000</b>	<b>201,820,000</b>
<b>Director of Education</b>		
Management & Admin Effectiveness	163,500	163,300
Schools At Risk	109,000	0
	<b>272,500</b>	<b>163,300</b>
<b>Head of Achievement &amp; Partnership Service</b>		
Broadband & Cloud Technology	274,900	259,900
Education Improvement Service	963,700	959,550
Ethnic Minority Achievement Unit	0	0
Learning Portal Team	41,400	53,300
Management Systems Unit	251,400	253,600
Stakeholder Engagement Unit	421,400	407,400
Swansea Music Service	0	0
Welsh Service	0	0
	<b>1,952,800</b>	<b>1,933,750</b>
<b>Head of Vulnerable Learner Service</b>		
Additional Learning Needs & Inclusion Team	0	0
Behaviour, Learning Support & EOTAS	5,590,400	5,327,700
HLSS - Head of Learner Support Service	115,400	115,400
PST - Pupil Support Team	1,470,300	1,534,900
Psychology Service	717,900	745,800
Recoupment/Out of County	761,000	711,000
SEN Statementing & Support	5,698,900	4,846,800
STF Additional Hours	1,092,300	1,542,300
	<b>15,446,200</b>	<b>14,823,900</b>

# Revenue Budget 2024/2025

## Education

	ORIGINAL BUDGET 2023/2024 £	ORIGINAL BUDGET 2024/2025 £
<b>Head of Education Planning &amp; Resources</b>		
Additional School Support	78,100	78,100
Capital Planning & Delivery Unit	386,600	400,000
Cleaning Services	254,900	84,050
Continuing Education & Pensions	409,300	404,900
Education Improvement Grant for Schools	714,000	714,000
Empty Properties	17,900	17,800
Funding & Information Unit	164,600	164,260
Health & Safety	84,500	0
Management & Admin - Planning & Resources	104,200	100,000
Non Delegated - Pensions, Insurance & Public Duties	9,751,450	9,954,190
Post 16 Funding	-5,920,420	-6,513,420
Pupil Deprivation Grant	-9,598,030	-9,217,030
School Meals	1,840,300	1,600,100
Transport	8,848,100	10,541,100
	<b>7,135,500</b>	<b>8,328,050</b>
<b>Total Education</b>	<b>214,477,000</b>	<b>227,069,000</b>

# Revenue Budget 2024/2025

## Place

	ORIGINAL BUDGET 2023/2024 £	ORIGINAL BUDGET 2024/2025 £
<b>Head of Building Services</b>		
Property Preventative Maintenance	2,873,500	2,880,100
Building Services Trading	1,624,300	2,114,200
	<b>4,497,800</b>	<b>4,994,300</b>
<b>Head of Property Services</b>		
Facilities Management	2,198,401	2,275,301
Strategic Estates Properties	550,500	3,802,200
	<b>2,748,901</b>	<b>6,077,501</b>
<b>Head of Highways &amp; Transportation</b>		
Car Parking & Enforcement	-3,709,500	-1,524,200
Transportation	5,417,000	5,586,300
Traffic Management	1,338,200	1,247,800
Central Transport	-483,800	-431,600
Engineering	693,675	749,675
Highways	7,740,725	9,462,225
Swansea Marina	-172,260	-165,260
Directorate & Other Costs	-503,700	-496,700
	<b>10,320,340</b>	<b>14,428,240</b>
<b>Head of Waste Cleansing &amp; Parks</b>		
Household Waste Recycling Centres	1,635,734	1,768,000
Parks	5,038,686	5,405,486
Recycling & Residual Waste Collection	12,344,921	13,975,600
Trade Refuse	-368,955	-395,000
Neighbourhood Working	6,864,614	7,500,714
Directorate & Other Costs	806,600	754,400
	<b>26,321,600</b>	<b>29,009,200</b>
<b>Place Directorate</b>		
Place Directorate	1,357,119	907,919
Arena	-282,300	-525,800
Workstreams	-828,200	-828,200
	<b>246,619</b>	<b>-446,081</b>

# Revenue Budget 2024/2025

## Place

	ORIGINAL BUDGET 2023/2024 £	ORIGINAL BUDGET 2024/2025 £
<b>Head of Cultural Services</b>		
Archives	250,550	265,150
Arts	2,227,099	2,501,699
Community Buildings	325,000	330,600
Development & Outreach	336,000	350,500
Libraries	3,352,400	3,313,000
Sport & Recreation	2,751,160	2,553,060
Tourism, Marketing & Events	1,824,968	1,836,768
Directorate & Other Costs	190,300	208,000
	<b>11,257,477</b>	<b>11,358,777</b>
<b>Head of Planning &amp; City Regeneration</b>		
Business Support	675,519	715,119
Property Development	733,698	767,098
City Centre Management & Indoor Market	-342,800	-257,400
European & External Funding Team	0	0
Major Projects, Design & Conservation	154,900	103,200
Planning Control	525,200	586,600
Planning Policy & Environment	1,151,300	1,206,000
Directorate & Other Costs	102,183	110,783
	<b>3,000,000</b>	<b>3,231,400</b>
<b>Head of Housing &amp; Public Health</b>		
Building Regulations	161,350	160,350
Burials & Cremations	-1,283,750	-1,315,850
Food Safety	619,390	645,090
Licensing	-43,500	24,400
Pollution	632,900	791,300
Public Health	904,300	784,200
Registrars	-67,950	-74,950
Trading Standards	703,710	650,910
Housing Grants to the Independent Sector	40,500	40,500
Housing Renewals & Adaptations	12,800	49,200
Housing Strategy, Advice & Support	1,850,013	2,390,313
Other Housing Services	553,900	661,500
Directorate & Other Costs	204,600	219,700
	<b>4,288,263</b>	<b>5,026,663</b>
<b>Total Place</b>	<b>62,681,000</b>	<b>73,680,000</b>



# Agenda Item 10.



## Report of the Section 151 Officer

Cabinet – 15 February 2024

### Capital Budget & Programme 2023/24 - 2028/29

<b>Purpose:</b>	This report proposes a revised capital budget for 2023/24 and a capital budget for 2024/25 - 2028/29
<b>Policy Framework:</b>	Medium Term Financial Plan and Capital Strategy 2023/24 – 2028/29
<b>Consultation:</b>	Cabinet Members, Corporate Management Team (CMT), Legal, Finance and Access to Services
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Approves the revised capital budget for 2023/24 and the capital budget for 2024/25 – 2028/29 as detailed in appendices A, B C, D, E, F and G is approved.
<b>Report Author:</b>	Ben Smith
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar

#### 1. Introduction

##### 1.1 This report details:

- Revised capital expenditure and financing proposals for 2023/24
- Capital expenditure and financing proposals for 2024/25 – 2028/29

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

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

Appendix A Total General Fund Capital Budget Expenditure 2023/24 - 2028/29

Appendix B Total General Fund Financing 2023/24 - 2028/29

Appendix C General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2023/24 - 2028/29

Appendix D C21st Schools Programme Band A Capital Expenditure and Budget 2012/13 – 2023/24

Appendix E QEd/Sustainable Communities for Learning Programme Capital Expenditure and Budget 2017/18 – 2028/29

Appendix F Swansea Central City Deal Capital Expenditure and Budget 2018/19 – 2024/25

Appendix G Material changes to the original 2023/24 budget

**Further review of the Capital Programme will be undertaken in the form of a fundamental mid-year review during 2024/25, which will further update and refine these appendices.**

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

- The continued investment in Swansea Schools through Band B, which now has five completed projects, and the first five years of the proposed nine-year rolling programme of the QED/Sustainable Communities for Learning Schools Programme.
- Swansea Bay City Deal schemes, the completion of Phase 1 the North Block including the Arena with further elements due for completion during the coming 12 months and continuation of construction of Phase 2 Digital Village 71-72 Kingsway Offices
- A significant programme of work on Mumbles Seawall repairs, Hafod Copperworks and our Community Hub Development.

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

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

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

- £304.606m of Welsh Government funding for the Sustainable Communities for Learning nine year rolling programme,
- a City Deal, worth, across the region, around £1.3 billion.

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

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

- 1.8 The Swansea City & Waterfront Digital District project is one of nine projects comprising the wider City Deal. It has been developed by the Council, in partnership with University of Wales Trinity Saint David (UWTSD). The core aim of the project is to create a strong and vibrant digital city that will be the economic engine of the wider city region. There are 3 main components: an Innovation Matrix and Innovation Precinct project (led by UWTSD); a Digital Village, which includes 100,000 sq. ft. of flexible and affordable office accommodation for tech businesses (led by the Council); and a Digital Square and Arena which has delivered a 3,500 capacity Digital Arena and associated developments (also led by the Council).

A 5-case business model was approved by UK and WG which sets out the project in great detail, including the benefits, costs, procurement process and income derived. Practical completion of the Arena was achieved in March 2022 and the tenant and operator the Ambassador Theatre Group (ATG) have signed a 30 year lease, and have sold 145,000 tickets to March 2023 with 250,000 through their doors.

With regard to Digital Village, a contractor has been procured and funding authorised through an FPR7 report. Construction is well advanced with completion anticipated in March 2024 followed by a four-month fit out programme. The Council, through the Shaping Swansea procurement process, has appointed Urban Splash as a long-term development partner and entered into a 20-year Strategic Partnership Agreement. Urban Splash are currently engaged in the feasibility stage of several of the 7 sites, with the Swansea Central Hub office development being targeted for cabinet in June to consider the proposal and funding agreement. The partner and the Council will then progress the 7 sites as set out in the procurement process.

Cabinet, through an FPR7 report, approved the capital funding to reimagine Castle Square to create a step change in the quality of its public realm. An increased level of green space with up to 4 new commercial units will create a new destination which will make it more active, distinctive, and vibrant in line with other regeneration investment which is taking place in the city centre. A contractor has been appointed and progressing the next stage of design through a Pre-Contract Service Agreement to inform a cabinet report in June. A start on site will quickly follow.

## **2. Capital Budget 2023/24 – 2028/29**

2.1 Total General Fund Expenditure in the current year is forecast to be £142.368m (see Appendix A) an increase of £37.5m (see Appendix G) compared with the original estimate of £104.004m excluding waste provision.

This increase is due to the following:

- The addition of grant funded and non-grant funded schemes after Council approved the capital budget in March 2023, together with increases in the cost of schemes due to inflation levels over the past two years.
- Reprofiled forecast Cashflow of Swansea Central City Deal Arena scheme and 71-72 Kingsway Offices
- The net balance of schemes reprofiled from 2022/23 into 2023/24 and schemes reprofiled from 2023/24 into 2024/25.

2.2 The proposed capital programme 2023/24 – 2028/29 and associated financing is set out below in 2.3 for The General Fund Programme, 2.4 for QED/Sustainable Communities for Learning Schools Programme and 2.5 for the Swansea Central City Deal Programme.

2.3 The General Fund Programme and Financing 2023/24 -2028/29

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

2.3.2 The Capital Budget report considered by Council on 2<sup>nd</sup> March 2023 outlined an unsupported borrowing requirement for the in-year and five year forward programme of £126.153m.

2.3.3 The updated total Capital programme which includes QED/Sustainable Communities for Learning Schools Programme and Swansea Central City Deal schemes highlights a 5 year forward expenditure programme plus 2023/24 of £431.532m (Appendix A) identifying an unsupported borrowing requirement of £147.559m (Appendix B). The capital planning envelope for unsupported borrowing requires significant revenue funding to service the finance and this is set out in both the reports on the revenue budget and the medium term financial plan.

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

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

- Swansea Central Arena phased development
- Digital Village, 71-72 Kingsway offices
- Community hub development
- Castle Square Regeneration
- Palace Theatre development
- Swansea Vale new car park where borrowing will be financed by future rental income.

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

## 2.4 Schools Programme and Financing 2023/24 – 2028/29

2.4.1 In July 2017 Cabinet endorsed the council's Band B of the 21<sup>st</sup> Century Schools Strategic Outline Programme and the proposed capital investment priorities. Since the initial approval there have been several other changes within the programme. The Welsh Government capital grant intervention rate was set at 50% for Band B, but Welsh Government announced on 21 November 2018, that the Band B intervention rate for capital projects would be increased to 65%, and for special schools and PRUs to 75%. The intervention rate for voluntary aided projects remained unchanged at 85%. In September 2023, Cabinet endorsed an uplift to the programme envelope to £176m, with a switch to wholly capital funding (instead of using the Mutual Investment Model for some of the projects).

2.4.2 Since 2017, the remaining Band A project – a new build for Gorseinon Primary School – has been completed. The completed Band B projects are new builds for the Pupil Referral Unit (Maes Derw), YGG Tan y Lan and YGG Tirdeunaw, and new blocks and refurbishment and remodeling for Ysgol Gyfun Gwyr and Bishopston Comprehensive School.

2.4.3 Band B ends on 31 March 2024 and councils are now required to submit a new Strategic Outline Programme (SOP) to the Welsh Government for a rolling programme by 31 March 2024.

2.4.4 The nine-year capital programme, extending to 2032/33 and including an indicative funding forecast for the nine years, is required to be submitted to the Welsh Government for consideration towards providing a commitment and support for the first three years along with in-principle support for years 4, 5 and 6. Years 7 to 9 will reflect the longer-term project pipeline. Band B projects not yet completed can be included at the beginning of the nine-year capital programme.

2.4.5 The new draft rolling programme is the subject of a separate report on the agenda which details the expected costs and funding. Following this report the Strategic Outline Programme must be submitted by 31<sup>st</sup> March 2024 for scrutiny by WG policy teams over a period of several months.

2.4.6 If approved, each of the investment priorities will be subject to detailed business case development and further WG approvals, together with separate reports to Cabinet for decision. Some of the priorities may require statutory consultation and catchment area reviews. These will be the subject of separate Cabinet reports.

## 2.5 Swansea Central City Deal Programme and Financing

2.5.1 The Swansea Central City Deal Phase 1 Arena scheme construction phase was approved at Cabinet on 21 November 2019 at a cost of £134.837m, subsequently increased for additional elements to £135.1m (Appendix F). The detailed outstanding financing for this scheme is shown in Appendix B and spend will be funded from a combination of City Deal grant, capital receipts and unsupported borrowing.

2.5.2 Swansea Central City Deal Phase 2 Digital Village scheme construction has commenced on site. The current approved financing for this scheme at a total of £41.592m is shown in Appendix F which is funded from a combination of City Deal grant, unsupported borrowing and contributions.

## 2.6 Financing the Capital Programme

2.6.1 The financing for the General Fund capital programme identified in 2.3, 2.4 and 2.5 is detailed in Appendix B and requires unsupported borrowing of £147.559m towards forecast expenditure of £431.532m (Appendix A).

2.6.2 It should be noted that efforts to increase and maximize grants, contributions and capital receipts in order to minimize borrowing requirements are pursued throughout the year. Included within the programme are a number of schemes which are self-financing. Indeed, there is a clear strategy for the Council to maximize external investment in any proposals and to seek to target its own investment into areas which offer a return commensurate with or greater than financing costs in order to minimise the Revenue impact of any additional borrowing requirements. In the absence of such a strategy then it has to be realised that any capital expenditure that leads to an overall net increase in borrowing costs brings with it the potential to impact on an already challenging revenue budget scenario going forward.

2.6.3 It is recognized that a forecast capital financing requirement of £147.559m remains significant. The revenue implications of this are identified in the revenue budget and medium term financial plan on

this agenda. The above programme is affordable and sustainable throughout the lifetime of the medium term financial plan subject to the risks highlighted below.

2.6.4 It should be noted that the Council makes an annual budget provision to repay debt through what is known as the Minimum Revenue Provision (MRP). The MRP policy was revised and approved by Council on Dec 20<sup>th</sup> 2018, mitigating the impact of revenue provision in the earlier years, aligning the repayment of the debt with the lifetime of the asset. It was recognised there would be short term 'savings' which would reverse in later years, therefore the establishments of the capital equalization reserve was approved by Council to mitigate and forward plan for the same. Advantage was taken of the low interest rate and volatility in the market to externalise some of its borrowing requirement in 2018/19, by borrowing £90m, although the overall strategy is to mitigate the impact of interest charges by utilising internal resources to meet Cashflow demands but opportunities to take advantage of long-term value shall be taken when deemed appropriate. Notwithstanding this and noting the already emerging risks to the upside to long term interest rates and the significant capital financing identified by this report, it was determined that in line with good Treasury Management practice and being mindful of interest rate movements and cashflow requirements, that during the financial year 2021/22, a further £120m of PWLB borrowing was undertaken. This borrowing was taken in 3 separate tranches at an average of 1.94% during the year. (This is the cheapest borrowing ever undertaken by this Council). It should be noted that the decision to defer this funding from 2018/19 to 2021/22 was explicit, whilst the PWLB premium was in place and consultation to changes was ongoing. This deferral has therefore avoided the 1% premium imposed on PWLB borrowing during that time.

2.6.5 Noting the programmed profile of grant payments in respect of The Swansea Bay City Deal Financing, it has been determined prudent to utilise the already established Capital Equalisation Reserve, with which to mitigate and smooth the timing differences between funding and capital spend during the early years of the programme.

### **3. Future Schemes**

3.1 The Capital programme as outlined in this report reflects known planned expenditure and financing as at the date of the report.

3.2 Future discretionary projects and schemes shall only be incorporated if they are within the current planning envelope assumption of up to an additional £50m of borrowing already assumed, are self-financing or the associated additional financing costs can be supported from likely future revenue budgets affordably and sustainably. The costs of financing the same are forecast to be materially higher than the recent past noting the rising GILT yield environment, which in turn may limit the capital secured for any policy choice over the balance between revenue and capital priorities. Policy choices will also continue to be made on the degree of public subsidy that any individual

schemes may require having due regard to our obligations to lead and shape regeneration and pump prime wider investment activity.

#### **4. Risks**

4.1 There are significant risks which may require a future revision of the attached six-year capital budget. In particular:

- urgent capital maintenance requirements
- unforeseen costs e.g. failure of retaining walls
- failing to achieve the General Fund capital receipts target
- failing to deliver revenue budget savings as identified in the Revenue Budget Report
- capital financing charges arising from additional unsupported borrowing which cannot be met from existing revenue budgets.
- additional costs arising from any other additions to the Capital programme
- increased borrowing costs

Mitigation in respect of the latter four risks will be achieved by continual review and consideration of individual business cases for the larger schemes.

#### **5. Legal Implications**

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

#### **6. Prudential Code**

6.1 Under the Local Government Act 2003 and subsequent regulations, a local authority is required to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities when setting its budget and must determine and keep under review how much it can afford to borrow. In addition, a local authority must also set out its overall capital strategy and ensure that if it is to be funded via PWLB satisfies the now implemented borrowing criteria.

6.2 Two further reports will be presented to Council on 6<sup>th</sup> March 2024 and will detail what is required under the requirement of the Code and set out in detail Prudential Borrowing Indicators for 2024/25 and subsequent years and outline the overall Capital Strategy of the Authority.

#### **7. Integrated Assessment Implications**

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

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected



characteristic and those who do not.

- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to their own needs.

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

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

7.4 An integrated impact assessment screening has been undertaken and it concludes that there are no equality impact implications arising from this report. All future programs and schemes covered within this report will be subject to their own Integrated Impact Assessment process.

**Background Papers:** None

**Appendices:**

Appendix A - Total General Fund Capital Budget Expenditure 2023/24 - 2028/29

Appendix B - Total General Fund Financing 2023/24 - 2028/29

Appendix C - General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2023/24 - 2028/29

Appendix D - C21st Schools Programme Band A Capital Expenditure and Budget 2012/13 – 2023/24

Appendix E - QEd/Sustainable Communities for Learning Programme Capital Expenditure and Budget 2017/18 – 2028/29

Appendix F - Swansea Central City Deal Capital Expenditure and Budget 2018/19 – 2024/25

Appendix G - Material changes to the original 2023/24 budget

Appendix H - Integrated Impact Assessment

**Total General Fund Capital Budget Expenditure 2023/24 - 2028/29**

**Appendix A**

		<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>Total</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Total General Fund (Excluding C21st School and Swansea Central City Deal schemes)	App C	112,940	81,179	26,414	15,774	15,053	12,943	264,303
C21st Schools Band A	App D	121						121
QEd/Sustainable Communities for Learning Schools Programme Band B	App E	2,168	2,510	11,171	42,649	53,372	15,264	127,134
City Deal Swansea Central Phase 1 Arena	App F	3,317	9,789					13,106
City Deal Swansea Central Phase 2 Digital Village	App F	24,151	2,717					26,868
<b>Total General Fund (including Schools and City Deal schemes)</b>		<b>142,697</b>	<b>96,195</b>	<b>37,585</b>	<b>58,423</b>	<b>68,425</b>	<b>28,207</b>	<b>431,532</b>
Less waste provision		-329						
<b>Total General Fund (including Schools and City Deal schemes) excluding waste provision</b>		<b>142,368</b>	<b>96,195</b>	<b>37,585</b>	<b>58,423</b>	<b>68,425</b>	<b>28,207</b>	<b>431,203</b>

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>GF Financing (Excluding C21st Schools and Swansea Central City Deal)</b>							
<b>Supported Borrowing</b>							
Welsh Government Supported Borrowing	6,355	6,385	6,385	6,385	6,385	6,385	38,280
<b>Grants and Contributions</b>							
Welsh Government General Capital Grant	6,527	6,558	6,558	6,558	6,558	6,558	39,317
Welsh Government specific grants	25,567	2,953	0	0	0	0	28,520
European grants	500	0					500
Other Grants	3,263	17,985	56	0	0	0	21,248
Contributions	926	1,216					2,198
City Deal	268						268
<b>Capital Receipts</b>							
Earmarked Capital receipts	1,072	1,243	56	200			2,371
General Capital receipts	1,902	5,109	902				8,113
<b>Revenue and Reserve Contributions (including provision for waste schemes)</b>							
	14,056	9,266	2,404	500	2,110	0	28,336
<b>Financing excluding unsupported borrowing</b>	<b>60,436</b>	<b>50,715</b>	<b>16,361</b>	<b>13,643</b>	<b>15,053</b>	<b>12,943</b>	<b>169,151</b>
<b>Unsupported borrowing requirement</b>	52,504	30,464	10,053	2,131	0	0	95,152
<b>GF Financing (Excluding C21st Schools and City Deal)</b>	<b>112,940</b>	<b>81,179</b>	<b>26,414</b>	<b>15,774</b>	<b>15,053</b>	<b>12,943</b>	<b>284,303</b>
<b>C21st School Band A Financing</b>							
Unsupported borrowing requirement	121	0	0	0	0	0	121
<b>C21st School Band A Financing</b>	<b>121</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>121</b>
<b>QEd/Sustainable Communities for Learning Band B Financing</b>							
WG Traditional capital grant funding	104		6,500	36,138	36,871	9,737	89,350
WG Welsh Medium grant	0	0	0	0			0
WG Mutual Investment Model financing (including VA school)			0	0			0
CCS Mutual Investment Model financing		0	0				0
S106 and other Contributions	16	0	0	156	3,681		3,853
Unsupported borrowing requirement	2,048	2,510	4,671	6,355	12,820	5,527	33,931
<b>QEd/Sustainable Communities for Learning Band B Financing</b>	<b>2,168</b>	<b>2,510</b>	<b>11,171</b>	<b>42,649</b>	<b>53,372</b>	<b>15,264</b>	<b>127,134</b>
<b>Swansea Central City Deal Schemes Financing</b>							
Swansea Central Phase 1 Arena Financing							
Capital receipts	2,021	2,879					4,900
City Deal funding	61	4,808					4,869
Grants (ERDF)	0	308					308
Unsupported borrowing requirement	1,235	1,794					3,029
<b>Swansea Central Phase 1 Arena Financing</b>	<b>3,317</b>	<b>9,789</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,106</b>
<b>Swansea Central Phase 2 Digital Village</b>							
City Deal funding	10,942	0					10,942
Contribution	100	0					100
WG ERDF grant	500	0					500
Unsupported borrowing requirement	12,609	2,717					15,326
<b>Swansea Central Digital Arena Financing</b>	<b>24,151</b>	<b>2,717</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>26,868</b>
<b>Swansea Central City Deal Schemes Financing</b>	<b>27,468</b>	<b>12,506</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>39,974</b>
<b>Total General Fund Financing</b>	<b>142,697</b>	<b>96,195</b>	<b>37,585</b>	<b>58,423</b>	<b>68,425</b>	<b>28,207</b>	<b>431,532</b>
<b>Total General Fund Unsupported Borrowing Requirement</b>							
General Fund Unsupported borrowing requirement	52,504	30,464	10,053	2,131	0	0	95,152
C21st School unsupported borrowing requirement Band A	121	0	0	0	0	0	121
QEd/Sustainable Communities for Learning unsupported borrowing requirement Band B	2,048	2,510	4,671	6,355	12,820	5,527	33,931
Swansea Central City Deal schemes unsupported borrowing requirement	13,844	4,511	0	0	0	0	18,355
<b>Total GF unsupported borrowing requirement including C21st Schools and Swansea Central City Deal schemes</b>	<b>68,517</b>	<b>37,485</b>	<b>14,724</b>	<b>8,486</b>	<b>12,820</b>	<b>5,527</b>	<b>147,559</b>

**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2023/24 - 2028/29**

**Appendix C**

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
<b>Directorate</b>							
Resources (see schemes below)	5,564						5,564
Education (see schemes below)	7,659						7,659
Social Services (see schemes below)	1,767	1,560	500	500			4,327
Place (see schemes below)	97,950	79,619	25,914	15,274	15,053	12,943	246,753
<b>Total Expenditure</b>	<b>112,940</b>	<b>81,179</b>	<b>26,414</b>	<b>15,774</b>	<b>15,053</b>	<b>12,943</b>	<b>264,303</b>
<b>Director of Resources</b>							
<b>Digital &amp; Transformation</b>							
Hwb in schools Infrastructure	34						34
Digital Business Strategy	225						225
Agile IT - mobile phones	721						721
Agile IT - accessories	146						146
Mobile IT - laptops	1,850						1,850
ERP System Upgrade	30						30
ICT equipment staff reimbursement scheme	333						333
Network switches for Guildhall	2						2
Data Centre relocation	31						31
WIFI in commercial areas	300						300
Capital creditors for 2022-23 paid in 2023-24							
<b>Financial Services</b>							
Corporate Capital Contingency	1,892						1,892
<b>Total for Director of Resources</b>	<b>5,564</b>						<b>5,564</b>
<b>Director of Education (excluding 21st Century schools programme)</b>							
Primary and secondary school schemes (not within C21st programme - October 2023)	2,934						2,934
Clwyd Primary pitch drainage	86						86

**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2023/24 - 2028/29**

**Appendix C**

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Pontarddulais Comprehensive							
Reducing Infant Class sizes	107						107
3G pitch Olchfa School	1,370						1,370
Free School Meals infrastructure / equipment	2,947						2,947
Capital creditors for 2022-23 paid in 2023-24	215						215
<b>Total for Director of Education</b>	<b>7,659</b>						<b>7,659</b>
<b>Director of Social Services</b>							
Residential home for young people	344	750					1,094
Nant-y-felin conversion		103					103
Life-long learning scheme purchase of IT equipment and van							
Borfa activity centre		57					57
Child & Family Services Early Help Hubs	350	150					500
Child & Family Rhossili Emergency Accommodation	390						390
Adult Services Residential Care Settings	300	300	300	300			1,200
Adult Services Day Service Provision	200	200	200	200			800
Other Social Services Schemes	183						183
Capital creditors for 2022-23 paid in 2023-24							0
<b>Total for Director of Social Services</b>	<b>1,767</b>	<b>1,560</b>	<b>500</b>	<b>500</b>			<b>4,327</b>
<b>Director of Place</b>							
<b>Highways &amp; Transportation</b>							
Active Travel schemes	5,366						5,366
Local Transport Fund schemes	5,050	2,000					7,050
Safe Routes in Communities, Road Safety and 20mph grant schemes	3,488						3,488

**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2023/24 - 2028/29**

**Appendix C**

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Structural maintenance roads, including carriageway resurfacing, footways and lighting	3,257						3,257
Highways annual allocation		3,468	3,468	3,468	3,468	3,468	17,340
Highways additional - Street Lighting conversion to LED	145						145
Highways additional funding from internal resources	4,000	2,000	1,000				7,000
Seawall repairs Mumbles	5,374	12,000	3,442				20,816
Highways & Transportation Vehicle replacement programme and Integrated Transport Unit vehicles	1,002	1,740					2,742
Lower Tawe Riverside West SUP	388						388
Slip Bridge Refurbishment	139						139
Pont-y-Lon Bridge		656					656
Bascule Bridge	366						366
Other Bridges & retaining Walls	559						559
Morfa Culvert	800						800
Drainage and flood alleviation grant schemes	1,515						1,515
Marina barrage schemes	105						105
Other highways schemes	1,678						1,678
<b>Waste Management and Parks</b>							
Tir John works (provision)	329	1,781	177		150		2,437
Facility to collect and recycle electrical waste	71	36					107
Rhosilli / Mumbles Changing Places toilets	282						282
Playground upgrades	1,353	771	727				2,851
Other waste schemes	714	184			1,960		2,858
<b>Culture, Sport, Leisure &amp; Tourism</b>							
Leisure Centre improvements (Freedom Leisure schemes)	54	76					130
Cefn Hengoed Community Hub	3,612	148					3,760
Mynydd Newydd Changing Rooms Linked to Bryntawe 3G Pitch	256	235					491
3G Pitch renewal Phoenix Centre	2						2

**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2023/24 - 2028/29**

**Appendix C**

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Ashleigh Road Hockey pitch resurface	19						19
Library Service		45					45
Glynn Vivian Art Gallery	75						75
Dylan Thomas Exhibition relocation	93						93
Brangwyn Hall lighting	27						27
Other Culture, Sport, Leisure & Tourism schemes	929	672					1,601
<b>Economic Regeneration &amp; Planning (Excluding Swansea Central City Deal schemes)</b>							
Kingsway Urban Parkway (Barclays renovation)	1,804						1,804
Wind Street improvements	27	210					237
Skyline	4,215	2,600	1,500				8,315
Hafod/Morfa Copperworks Laboratory Building	2,117	18,267	6,013	2,331			28,728
Community Hub development	7,526	13,400	1,000				21,926
City Centre acquisition	135						135
Swansea Vale infrastructure/studies	4	1,113	112				1,229
Palace Theatre Redevelopment	5,313						5,313
Castle Square redevelopment	9,925	67					9,992
Re-purposing Swansea	500						500
Valleys Task force Covid recovery schemes		226					226
Economic Stimulus	481						481
Swansea Market Improvements	327	217					544
Other regeneration schemes	425	1,141					1,566
<b>Housing GF</b>							
DFG's - 1996 Act	5,000						5,000
Housing GF annual allocation		5,200	5,200	5,200	5,200	5,200	26,000
Sandfields Renewal Area	13	130					143
Property Appreciation Loans	250	150					400
Grant For Nominations	46						46
Comfort Safety & Security Grants (CSS)	17	40					57

**General Fund Capital Budget Expenditure (excluding C21st School programme and Swansea Central City Deal Schemes) 2023/24 - 2028/29**

**Appendix C**

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Mini Adaptation Grants (MAG)	600						600
Valleys Task Force Empty Properties Scheme	18						18
Western Valleys Empty Properties Scheme	174						174
Warm Homes Fund	295						295
Gypsy Traveller sites Annual Allocation	35	61	61	61	61	61	340
Other Housing GF schemes	8						8
<b>Corporate Building</b>							
Capital Maintenance allocated including Schools additional capital maintenance	7,598						7,598
Capital Maintenance annual allocation	1,847	3,214	3,214	3,214	3,214	3,214	17,917
Civic Centre Relocation				1,000	1,000	1,000	3,000
<b>Corporate Property</b>							
Accommodation Strategy (agile working)	1	1,161					1,162
Depot Review (including Pipehouse Wharf Replacement)	726						726
Property Portfolio (the funding for this will be repaid by future rental income)		736					736
Energy Efficiency schemes funded by WG Salix loan	74						74
Swansea Vale new car park facility		3,100					3,100
Tir John Solar Panel Farm	25	2,238					2,263
Capital Community Schemes for Play and Highways							
ERF Schemes	1,122	500					1,622
Acquisition of Blackboy Public House Killay	388						388
Other Corporate Property schemes	171	36					207
Place Capital creditors for 2022-23 paid in 2023-24	5,695						5,695
<b>Total for Director of Place</b>	<b>97,950</b>	<b>79,619</b>	<b>25,914</b>	<b>15,274</b>	<b>15,053</b>	<b>12,943</b>	<b>246,753</b>
Totals	112,940	81,179	26,414	15,774	15,053	12,943	264,303



C21st Schools Programme Capital Expenditure and Budget 2012/13 - 2023/24

Appendix D

	to 2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Forecast spend	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Band A</b>													
<b>Expenditure</b>													
Morrison Comprehensive Refurbishment	5,445	11,916	4,271	128	2	164							21,926
21st Century Schools Programme (Band A)													
Phase 1													
Burlais Primary new school build	17	453	5,941	1,266	94	185	10						7,966
Gowerton Primary new school build	16	446	2,193	3,833	136	2			5				6,631
YGG Lon Las rebuild and remodel		66	108	2,672	6,202	357	130	277					9,812
Glyncollen and Newton Primary improvements		393	1,007										1,400
Phase 2													
Pentrehafod remodelling				52	3,704	6,951	3,418	539	281				14,945
Gorseinon Primary new school build			51	332	11	30	6	3,887	2,163	94	48	121	6,743
Pentre'r Graig Primary improvements			97	1,117	1,429	21							2,664
YG Gwyr improvements			50	109	766	246	6						1,177
<b>Total Expenditure</b>	<b>5,478</b>	<b>13,274</b>	<b>13,718</b>	<b>9,509</b>	<b>12,344</b>	<b>7,956</b>	<b>3,570</b>	<b>4,703</b>	<b>2,449</b>	<b>94</b>	<b>48</b>	<b>121</b>	<b>73,264</b>

QEd/Sustainable Communities for Learning Schools Programme Capital Expenditure and Budget 2017/18 - 2028/29

Appendix E

			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Band B	Progress		Actual spend £'000	Actual spend £'000	Actual spend £'000	Actual spend £'000	Actual spend £'000	Actual spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	£'000
<b>Expenditure</b>															
QEd/Sustainable Communities for Learning Programme (Band B)															
Education other than at School new build for Maes Derw	Capital	Complete	155	607	3,777	4,919	100	259	58						9,875
YGG Tan-y-Lan	Capital	Complete	2	177	219	4,601	3,996	541	337						9,873
YG Gwyr	Capital	Complete		112	187	3,622	1,714	1,219	247						7,101
YG Bryntawe	Capital	Pre-construction stage			14	73	64	100	150	50	100	14,082	3,719		18,352
YGG Tirdeunaw	Capital	Complete		165	141	5,172	5,509	564	210						11,761
Bishopston Comprehensive School	Capital	Complete	35	100	448	5,834	4,404	3,843	500						15,164
Gowerton Comprehensive School	Capital	Pre-construction stage			15	10	4	296	100	250	500	10,022	15,032	6,139	32,368
Loughor / Kingsbridge Welsh medium primary and English medium primary	Capital	Pending										250	15,695		15,945
YGG Crug Glas & Penybryn	Capital	Pre-construction stage					12	200	500	1,660	6,750	16,125	17,375	1,110	43,732
St Joseph's Cathedral School	VA	Pending										200	8,015		8,215
Clydach Primary School	Capital	Pending											1,351		1,351
Bishop Vaughan Catholic School (former Daniel James site)	VA	Pending							66	550	3,821	2,170			6,607
<b>Total Expenditure</b>			<b>192</b>	<b>1,161</b>	<b>4,801</b>	<b>24,231</b>	<b>15,803</b>	<b>7,022</b>	<b>2,168</b>	<b>2,510</b>	<b>11,171</b>	<b>42,649</b>	<b>53,372</b>	<b>15,264</b>	<b>180,344</b>

Swansea Central City Deal Programme Capital Expenditure and Budget 2018/19 - 2024/25

Appendix F

Swansea Central Phase 1 Arena	spend to 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	Actual spend £'000	Actual spend £'000	Actual spend £'000	Actual spend £'000	Actual spend £'000	Forecast spend £'000	Forecast spend £'000	£'000
<b>Expenditure</b>								
RIBA stage 4, enabling works and fees	9,413	9,499						18,912
Construction including main contract and internal staff		11,290	57,162	32,854	1,769	3,317	9,789	116,181
<b>Total Expenditure</b>	<b>9,413</b>	<b>20,789</b>	<b>57,162</b>	<b>32,854</b>	<b>1,769</b>	<b>3,317</b>	<b>9,789</b>	<b>135,093</b>

**Funding**

WG and WEFO grant funding							308	308
City Deal funding						61	4,808	4,869
Capital receipt						2,021	2,879	4,900
Borrowing						1,235	1,794	3,029
<b>Total funding</b>						<b>3,317</b>	<b>9,789</b>	<b>13,106</b>

Swansea Central Phase 2 Digital Village (71-72 Kingsway Offices)	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>								
Design & Planning	343	903	851	1,098				3,195
Construction including main contract and internal staff				1,409	10,120	24,151	2,717	38,397
<b>Total Expenditure</b>	<b>343</b>	<b>903</b>	<b>851</b>	<b>2,507</b>	<b>10,120</b>	<b>24,151</b>	<b>2,717</b>	<b>41,592</b>

**Funding**

City Deal funding (note City Deal funding will be annual across 15 years)						10,942		10,942
Borrowing						12,609	2,717	15,326
WG grant (ERDF)						500		500
S106						100		100
<b>Total funding</b>						<b>24,151</b>	<b>2,717</b>	<b>26,868</b>

Scheme	Source of Funding	2023/24 Change £'000
<b>Director of Education</b>		
Additional Learning Needs Capital Grant 23/24	Grant	1,459
Community Focused Schools Capital Grant 23/25	Grant	1,410
Cwmrhydyceirw Primary Classroom Extension	Contribution S106	150
<b>Director of Social Services</b>		
Child & Family Services Early Help Hubs	Revenue	350
Child & Family Rhossili Emergency Accommodation	Revenue	390
Adult Services Residential Care Settings	Revenue	300
Adult Services Day Service Provision	Revenue	200
<b>Director of Place</b>		
<b>Highways &amp; Transportation</b>		
Local Transport Fund 23/24	Grant	5,050
Ultra Low Emission Transformation Vehicle Fund 23/24	Grant	577
Safer Routes In Communities 23/24	Grant	138
20mph Grant 23/24	Grant	2,952
Active Travel Fund 23/24	Grant	5,367
Highways & Transportation Vehicle Replacement Programme	Revenue	114
Purchase 2 Pre-used Minibuses	Revenue	67
Carriage Resurfacing	Revenue/Reprofile	2,000
LED Promenade Lighting Mumbles to St Helens	Revenue	400
Dropped Crossings	Revenue	70
New Street Lights Near Mansion Gardens Penllergaer	Revenue	23
<b>Waste Management</b>		
Essential Playground Works	Revenue	1,018
Parks & Cleansing Machinery Replacement Capital Programme 23/24	Revenue	467
Rhossili Public Toilets 23/24	Grant/Revenue	200
<b>Culture &amp; Tourism</b>		
Cefn Hengoed Community Hub	Revenue	266
Myndd Newydd Changing Rooms	Revenue	50
Re-surface of the All-Weather Surface at Elba Sports Complex	Grant/Contribution	246
Mobile Street Sports Facility	Revenue	500
Demountable Spectator Stand Swansea Bay Sports Park	Grant/Revenue	95
<b>Economic Regeneration &amp; Planning</b>		
Palace Theatre	Grant/Borrowing	4,567
Levelling Up Fund - Lower Swansea Valley Programme	Grant	2,117
Copperopolis River Pontoons	Grant/Borrowing	254
Swansea Market Improvements	Grant/Revenue	101
<b>Corporate Building</b>		
SCL - Capital Maintenance and Energy Efficiency Works	Grant	3,610
Ashlands Community Sports Centre	Revenue	180
<b>TOTAL MATERIAL CHANGES</b>		<b>34,688</b>
All other variations	Various	2,856
<b>TOTAL CHANGES</b>		<b>37,544</b>

# Integrated Impact Assessment Screening Form – Appendix H

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

## Which service area and directorate are you from?

Service Area: Accountancy

Directorate: Finance

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

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

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

**Capital Budget 2023/24 and programme 2024/25 – 2028/29**

The report outlines a comprehensive programme of capital investment including:

- The continued investment in Swansea Schools through Band B, which now has five completed projects, and the first five years of the proposed nine-year rolling programme of the QED/Sustainable Communities for Learning Schools Programme.
- Swansea Bay City Deal schemes, the completion of Phase 1 the North Block including the Arena with further elements due for completion during the coming 12 months and continuation of construction of Phase 2 Digital Village 71-72 Kingsway Offices
- A significant programme of work on Mumbles Seawall repairs, Hafod Copperworks and our Community Hub Development.

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

	High Impact		Medium Impact		Low Impact		Needs further investigation
	+	-	+	-	+	-	
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Race (including refugees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# Integrated Impact Assessment Screening Form – Appendix H

Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Engagement not required for the overall capital budget. Engagement and consultation is undertaken for individual capital schemes

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

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

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

High risk

Medium risk

Low risk

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

Yes                       No                      **If yes, please provide details below**

The capital budget is informed/developed by the Service depts. that consume capital expenditure

**Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation? (You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the**

## Integrated Impact Assessment Screening Form – Appendix H

organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)

The capital budget covers all service areas. Each capital scheme will be subject to an IIA in its own right and any cumulative impacts identified at that point.

### Outcome of Screening

**Q8 Please describe the outcome of your screening below:**

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

Capital finance is constrained by the amount of available resources, the budgetary process allocates that budget appropriately. There are no implications arising from this report. All future programs and schemes covered within this report will be subject to their own Integrated Impact Assessment screening.

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed

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

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

<b>Screening completed by:</b>
<b>Name: Sarah Willis</b>
<b>Job title: Group Accountant</b>
<b>Date: 01/02/2024</b>
<b>Approval by Head of Service:</b>
<b>Name: Ben Smith</b>
<b>Position: Chief Finance Officer (S151 Officer)</b>
<b>Date: 01/02/2024</b>

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

# Agenda Item 11.



## Report of the Section 151 Officer

Cabinet – 15 February 2024

### Housing Revenue Account (HRA) Revenue Budget 24/25

<b>Purpose:</b>	This report proposes a Revenue Budget for 2024/25 for the Housing Revenue Account
<b>Policy Framework:</b>	None.
<b>Consultation:</b>	Cabinet Members, Finance, & Legal
<b>Recommendation(s):</b>	It is recommended that the following budget proposals be recommended to Council for approval:  1) The revenue budget proposals as detailed in section 4.
<b>Report Authors:</b>	Carol Morgan / Ben Smith
<b>Finance Officer:</b>	Peter Keys
<b>Legal Officer:</b>	Adrian Jeremiah
<b>Access to Services Officer:</b>	Rhian Millar

#### 1. Introduction

1.1 The setting of the revenue budget has to take account of the following issues and factors:-

- the requirement to maintain the Welsh Housing Quality Standard (WHQS);
- the requirements of the Renting Homes (Wales) Act 2016
- the funding requirements of the More Homes Programme;
- future income and expenditure trends;
- the Welsh Governments rents policy;
- cost efficiencies and value for money

1.2 The proposals in this report are based on the objective of maximising the resources available for investment in the housing stock to meet Council priorities including maintaining the Welsh Housing Quality Standard (WHQS), to reduce carbon emissions and to build affordable housing in line with the More Homes Programme. These investment priorities have



been carefully balanced against consideration of affordability of rents and other service charges for tenants.

## **2. Projected Revenue Outturn 2023/24**

- 2.1 Rent arrears have been closely monitored and are anticipated to increase by the end of the financial year due to the impacts of the cost of living crisis and energy bill increases. However, these increases have been budgeted for and the current level of Bad Debt Provision is anticipated to be sufficient.
- 2.2 Revenue repairs spend has been monitored and it is forecast that there will be a planned overspend of £1.9m for day to day repairs as a result of higher than anticipated building inflation and dealing with the backlog of repairs due to Covid. In addition, repairs to void properties is forecast to overspend by £2m as additional resources in the form of a new contractors has been sourced. Again this has been done in a planned way in an attempt to reduce the number of void properties and increase the numbers of properties available to let in response to high demand for housing. A further overspend of £760k is forecast for electrical repairs mainly due to the decreased period for electrical testing which was introduced in the Renting Homes legislation. The above overspends have been partly off set by forecast underspends on Gas Servicing, Repairs Prior to Painting and Grounds Maintenance.
- 2.3 The above anticipated overspends will be offset by a reduction in the Revenue Contribution to Capital (RCCO) transfer of £12.0m and a reduction in borrowing costs of £0.636m as a result of slippage in the Capital Programme together with an underspend on employee costs of £0.37m due to higher than anticipated vacancies.

## **3. Rent Income**

- 3.1 The introduction of the Renting Homes (Wales) Act 2016 means that additional notice is required to be given to tenants for any increase in rents. As a result, the rent setting for 2024/25 has been subject to a separate report.
- 3.2 In January 2024 Council approved an average rent increase of 6.0%.rents. The report also proposed an increase in general fees, charges and allowances of 6.0% in line with the agreed rent increase.

## **4. Revenue Budget Proposals 2024/25**

### *4.1 Overview*

- 4.1.1 In line with the requirements of the Welsh Government's Rents Policy, budgets have been examined and where possible savings have been identified.

- 4.1.2 The main budget increases from 2023/24 are an increase in the Revenue Contribution to Capital (RCCO) of £3.73m. An increase in revenue repairs costs of £2.1m as a result of the inflationary pressures set out in 4.2 below. An increase in employee costs of £1.22m to fund a forecast increase for 24/25., other inflationary increases in Housing Management costs of £0.2m and an increase of £0.1m for the provision for bad debts.
- 4.1.3 The main budget savings are a reduction in the finance cost of borrowing of £694k as a result of lower than forecast borrowing due to slippage on the Capital Programme in 23/24.
- 4.1.4 The main changes to funding/income are an increase in rent income of £4.75m arising from the approved rent increase and £0.2m from increases in other charges including charges for furnished tenancies and some sheltered service charges. In addition, there is an increase in HRA investment income due to an increase in interest rates.
- 4.1.5 The main changes from the 2023/24 budget are shown in the following table:-

<b>Item</b>	<b>£000</b>
Increase in Revenue Contribution to Capital	3,725
Increase in Revenue Repairs	2,055
Increase in Employee Costs	1,223
Increase in Other Housing Mgt Costs	209
Increase in the Provision for Bad Debts	100
Increase in HRA Investment Income	-339
Reduction Finance Costs	-694
Increase in Transfer from Reserves	-1,328
Additional income including 6.0% rent increase and increases in other charges	-4,951

- 4.1.6 Income is expected to exceed expenditure next year by £27.8m. This amount together with a contribution from reserves of £4.91m be used to contribute towards the capital programme of £55.1m in 2024/25 in order to maintain prudent levels of borrowing whilst meeting the investment priorities which are needed to maintain the WHQS and for the More Homes Programme.

#### 4.2 *Inflation*

There continues to be significant inflationary pressures on the HRA budget for 2024/2025. The 2024/25 budget includes a 5% increase for pay increases. Revenue Repairs budgets have also been increased as a result of high building industry inflation and increased demand due to a back log of repairs due to Covid. In addition, void repairs budgets have been increased. Some other budgets, have also been amended to reflect a significant increase in prices.

#### 4.3 *Capital Financing Charges*

Capital financing charges will reduce in 2024/25 as a result of the lower than forecast borrowing in previous years.

#### 4.4 *Contributions to the Capital Programme*

The additional income enables a contribution of £33.6m to the capital programme.

### **5. Risks and Uncertainties**

- 5.1 The main risks and uncertainties for next year are the ongoing impact of the economic crisis particularly regarding levels of rental income and rising costs due to inflation.

### **6. Reserves**

- 6.1 As a result of lower than forecast RCCO due to slippage on the Capital Programme in 23/24, the HRA predicted reserves balance at the start of the year will be £13.931m. This is higher than the level of reserves which is considered to be absolutely necessary to be prudent and therefore £4.906mk of reserves will be used to finance capital expenditure in 2024/25. The reserves position is detailed in Table B.

### **7. Integrated Assessment Implications**

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

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

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

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

7.4 An IIA screening form has been completed and reviewed. The agreed outcome was that a full IIA report is not required at this time. Proposals for changing levels of funding in specific areas have been subject to a screening process. Service managers have considered the implications of proposed budgetary decisions and believe that the proposed budget protects the most vulnerable and will not disproportionately impact on protected groups.

## **8. Legal Implications**

8.1 There are no legal implications associated with this report.

**Background Papers:** None

### **Appendices:**

Appendix 1 - Table A: Summarised HRA 2023/24 to 2024/25

- Table B: Movement in Balances 2023/24 to 2024/25

Appendix 2 – Integrated Impact Assessment Screening Form

## Appendix 1

**Table A: Summarised HRA 2023/24 to 2024/25**

Classification	Budget 2023/24	Budget 2024/25
	£'000	£'000
<u>Expenditure</u>		
Management and Maintenance	40,907	44,493
Capital Charges	10,121	9,427
Revenue Funding for capital schemes	29,899	33,624
Increase in Balances	0	0
<b>Total Expenditure</b>	<b>80,927</b>	<b>87,544</b>
<u>Income</u>		
Rents and other income	77,003	82,292
Affordable Housing Grant	346	346
Contribution from in Balances	-3,578	-4,906
<b>Total Income</b>	<b>80,927</b>	<b>87,544</b>

**Table B: Movement in Reserves 2023/24 to 2024/25**

Description	£000's
Actual balance at 1 <sup>st</sup> April 2023	-10,408
Budgeted reduction 23/24	3,578
<b>Budgeted balance 31<sup>st</sup> March 2024</b>	<b>-6,830</b>
Forecast change 2023/24	-3,523
<b>Forecast balance 31<sup>st</sup> March 2024</b>	<b>-13,931</b>
Budgeted change 2024/25	4,906
<b>Forecast balance 31<sup>st</sup> March 2024</b>	<b>-9,025</b>

## Integrated Impact Assessment Screening Form – Appendix 2

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

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

Service Area: Housing and Public Health

Directorate: Place

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

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

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

This report proposes a HRA Revenue Budget for 2024/25

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

further	High Impact		Medium Impact		Low Impact		Needs investigation
	+	-	+	-	+	-	
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race (including refugees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

The setting of the revenue budget has to take account of the following issues and factors:-

- the requirement to maintain the Welsh Housing Quality Standard (WHQS);
- the funding requirements of the More Homes Programme;
- future income and expenditure trends;
- increases in rent in line with the Welsh Government rent policy;
- cost efficiencies and value for money

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

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

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

High risk

Medium risk

Low risk

---

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

Yes

No

If yes, please provide details below

Building Services, Legal, Finance

---

**Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

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

Proposals for changing levels of funding in specific areas have been subject to a screening process. Service managers have considered the implications of proposed budgetary decisions and believe that the proposed budget protects the most vulnerable and will not disproportionately impact on protected groups.

### **Outcome of Screening**

**Q8 Please describe the outcome of your screening below:**

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

An IIA screening form has been completed and reviewed. The agreed outcome was that a full IIA report is not required at this time. Proposals for changing levels of funding in specific areas have been subject to a screening process. Service managers have considered the implications of proposed budgetary decisions and believe that the proposed budget protects the most vulnerable and will not disproportionately impact on protected groups.

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed



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

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

<b>Screening completed by:</b>
<b>Name: Paul Lilley</b>
<b>Job title: Housing Finance and IT Manager</b>
<b>Date: 30/01/24</b>
<b>Approval by Head of Service:</b>
<b>Name: Carol Morgan</b>
<b>Position: Head of Housing and Public Health</b>
<b>Date: 30/01/24</b>

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

# Agenda Item 12.



**Report of the Section 151 Officer & the Director of Place**

**Cabinet - 15 February 2024**

## **Housing Revenue Account – Capital Budget & Programme 2023/24 – 2027/28**

<b>Purpose:</b>	This report proposes a revised capital budget for 2023/24 and a capital budget for 2024/25 – 2027/28
<b>Policy Framework:</b>	None
<b>Consultation:</b>	Cabinet Member, Legal, Finance & Access to Services
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Approves the transfers between schemes and the revised budgets for schemes in 2023/24.  2) Approves the budget proposals for 2024/25 – 2027/28.  3) Approves those individual schemes in Appendix B which are programmed over the 4 year period as described in this report, are committed and that their financial implications for funding over 4 years are approved.  4) Approves the prioritised approach to setting the work programme that is set out in the report.
<b>Report Authors:</b>	Ben Smith / Carol Morgan
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar

## **1.0 Introduction**

1.1. This report details:

- Revised Housing Revenue Account (HRA) capital expenditure and financing proposals in 2023/24
- HRA Capital expenditure and financing proposals in 2024/25 – 2027/28

1.2 The budget proposals are further detailed in the appendices to this report as follows:

- Appendix A: Summary of the revised budget for 2023/24 and a budget for 2024/25 – 2027/28
- Appendix B: Detailed breakdown of the revised budget for 2023/24 and a budget for 2024/25 – 2027/28
- Appendix C: Welsh Housing Quality Standard (WHQS) and More Homes scheme descriptions

1.3 It should be noted the format of this report is different to normal HRA Capital Programme reports as it sets out landlords increased duties and costs which makes future programmes set out by Welsh Government unaffordable. It highlights a new investment priority programme, outlines financial savings required and potential risks to the Council.

## **2.0 Capital Budget**

2.1 The revised programme for the current year is £36m i.e. an original budget of £ 50.9m plus, additional More Homes acquisitions of £1.6m and other budget adjustments of £1.5m, less slippage into 2024/25 of £14.9m and overspends carry-forward from 2022/23 of £3.1m.

2.2 Within the capital programme delays have occurred with regards to preparing and delivering WHQS and More Homes schemes leading to slippage from 2023/24 to 2024/25. The causes for the delays include limited renewable energy design specialists to design, specify and integrate specialist equipment, the performance by external contractors across certain work streams to deliver programmes and delays with securing necessary approvals for new build schemes.

2.3 The revised More Homes programme for 2023/24 includes increased budget for the acquisition programme, where the focus has been on purchasing ex-council properties that were sold under the Right to Buy as part of the response to rapidly increase the supply of affordable housing to deal with the continuing high levels of demand. Budget has also been allocated for the acquisition of new properties via s106 planning agreements. Masterplans for larger development sites have also been developed.

2.4 The proposed four-year capital programme and the scheme priorities have been developed in line with the HRA Business Plan. Schemes will aim to maintain properties to requirements of the original Welsh Housing

Quality Standard, where budget permits. No new budget has been included in the proposed programme to address extended statutory duties of the new Standard. The approach to be adopted by the service is to undertake new duties only when external grants are provided to support decarbonisation work programmes. The investment set out in 2024/25 will ensure remaining 2023/24 commitments will be met and new 2024/25 work-streams have been developed to ensure they are deliverable. Transfers and changes to the 2023/24 budget are set out in appendix B.

### **3.0 Background to Increased Programme Demands**

- 3.1 Over the past 5 years, Welsh Government has developed ambitious strategic policies to increase the supply of social housing at the same time as extending the requirements of the Welsh Housing Quality Standard to decarbonise 231,000 existing social properties in Wales.
- 3.2 Welsh Government has set a target of increasing the supply of social housing by 20,000 in this decade. The Council committed to increasing supply in Swansea by 1,000 properties and allocated the sum of up to £180m from HRA business plan, supplemented by affordable borrowing.
- 3.3 Aspirations to decarbonise existing houses in Wales was first set out in Better Homes, Better Wales, Better World published in July 2019 but has taken a further four years to set out its regulatory framework. The Welsh Housing Quality Standard 2023 was published on 24<sup>th</sup> October 2023 and legally comes into effect from the 1<sup>st</sup> April 2024.
- 3.4 It's been apparent to officers for some time and regularly reported upon, that the HRA Business Plan does not have sufficient financial resource to meet the Government's twin policy objectives of increased supply and decarbonisation of existing stock whilst maintaining WHQS compliance.
- 3.5 When the draft WHQS 2023 was issued for consultation in May 2022, social housing providers and their representative bodies WLGA and CRC advised Welsh Government that decarbonisation of existing stock was unaffordable and unachievable by its target date of 2033. Feedback highlighted adopted regulations would need to be underpinned with direct long term grant subsidy to make the programme financially feasible.
- 3.6 In spite of the concerns expressed by the sector, the regulation adopted by Welsh Government more or less remains as the original proposal. The main concession is the target date to achieve SAP 92, EPC Band A and EIR 92 (Section 3 of new Standard – Homes Affordable to Heat, Minimal Environmental Impact) will be negotiated based on future affordability. Welsh Government have however introduced key milestones which include completing a Whole Stock Assessment for each property by April 2027 which will be delivered within prescribed timeline and ensuring all properties reach SAP 75 EPC Band C by the end of financial year 2029/30. All other key statutory elements of the new Standard are to be completed by 2033.

3.7 A summary of the revised standard including the additional duties placed on social landlords is set out in Appendix D.

#### **4.0 Programme Review and Funding Priorities**

4.1 A review of the cost of the HRA capital programme up to 2029/30 to fund new statutory undertakings for WHQS 2023 and maintain the More Homes Programme has been undertaken. It has been determined that the cost of funding future programmes is around £175m more than budget available in the HRA Business Plan at present day values.

4.2 The extent of the financial shortfall and shape of future HRA investment priorities has been considered in detail. The future programme priorities are recommended as follows:

**Priority 1 – WHQS 2008 Legacy Programme** – Investment to refurbish properties defined as ‘Acceptable Fails’ by the original Standard on basis of timing of remedy, to meet condition compliance.

**Priority 2 – Maintain WHQS Condition Compliance** – Existing compliant stock receive investment for planned maintenance programmes to maintain compliance as building components and elements fail, to maintain current levels of compliance.

**Priority 3 – Maintain More Homes Programme** – Protect the £180m previously approved by Council to continue to increase housing supply to counter impact of increasing homelessness.

**Priority 4 – WHQS2023 Decarbonisation and Additional Duties** – Should all available HRA investment be used on priority groups 1-3, funding of decarbonisation and other duties made only when direct additional grant specifically for decarbonisation is made available by Welsh Government.

#### **5.0 Proposed 4 Year HRA Capital Programme 2024/25- 2027/28**

5.1 The proposed programme set out in Appendix A and B has been prepared in accordance with the investment priorities set out in section 4.2 above. While it sets out to meet the priority parameters where possible, the £221.5m (£1.5m extra funding agreed in addition to original £220m) of affordable funding available for the next 4 years will not allow programmes to be met in full. The compromises made to meet the available budget are as follows:

- Priority 1 legacy schemes will only be delivered in part. Elements of work will be deferred to future years rather than projects delivered as whole structure refurbishment approach, which can deliver financial savings.

- Priority 2 maintaining the standard and level of compliance may reduce, as individual schemes of work originally scheduled for the next 4 years are deferred to fit the amount of budget available.
- More Homes investment £180m over 10 years is protected but will deliver less properties than originally planned due to the impact of building inflation and increased new build standards and regulations.

5.2 The impact of the savings required to meet priority requirements and budget available in the HRA Business Plan are as follows:

- Omit the installation of renewables, pv solar panels and storage batteries, while enveloping 614nr. properties across 13nr. sites, previously approved by Council. This reduction to WHQS programme will yield £9.8m savings.
- Omit renewables from a further 1,085nr. properties across 12nr. sites, where only work designed and procured will progress. Only 439nr. properties will now benefit from installation of renewables from the 2,138nr previously approved by Council. This will yield a further saving of £10.2m on the WHQS programme.
- 13nr. enveloping schemes containing 614nr properties will be deferred from the programme previously approved by up to 10 years to fit in with the budget available. These properties were programmed to renew building components and elements at the end of economic repair life, and improve thermal performance at the same time, to meet SAP 75 requirements. These properties will become technically non-compliant, reduce compliance levels but will yield a £28.6m saving on the WHQS programme.
- Deferring elements of legacy work programme will yield a saving of around £20m over the next 4 years on the WHQS programme.
- Omission of individual work schemes will yield a further saving of £3.6m to WHQS planned capital programme but will add greater financial burden on unplanned revenue reactive repairs budget.
- In spite of the savings proposed for the next 4 years, it is anticipated there will be shortfall of a further £102m available to meet decarbonisation targets of each of 13,753 existing properties achieving a SAP rating of 75 or above. No budget has been allocated for any of the additional duties set out in WHQS2023.

5.3 The More Homes strategy to increase housing supply has been endorsed by Council and has an indicative budget of £56m included in the programme over 4 years up to 2027/28. This will include the acquisition of properties and land to develop for council and affordable housing. It also includes funding for feasibility assessments to identify the most viable HRA owned sites for future developments. Delivery will be aided through partnerships and external consultancy advice, which will increase capacity and pace in the programme.

- 5.4 The impact of fitting the More Homes programme to suit budget availability risks reducing the overall supply target. The original ambition set by Cabinet in 2020 was to deliver an additional 1,000 units of affordable accommodation over 10 years (between 2021 and 2031). To date, 255 units have been delivered including 88 new build units, 21 units via property conversions and 146 buy backs of former council properties sold under the Right to Buy. Delivery will continue via the mixed strategy outlined plus acquisitions via s106 agreements with developers. The programme will need to be kept under review to ensure that it remains affordable and achievable within the HRA Business Plan. The Council will continue to work with Welsh Government to maximise future grant subsidy to meet targets and with RSLs and developers to increase the supply of affordable housing alongside our own programme.
- 5.5 In spite of omissions and schemes deferred, the remaining programme represents a significant investment to the local economy that will deliver significant benefits to residents.
- 5.6 Council representatives will continue to lobby Welsh Government to increase capital funding for both work programmes so the ambitious policy objectives can become affordable and deliverable in the future.

## **6.0 Alternative Investment Strategies**

- 6.1 The potential to increase income is limited as rents for social housing is regulated by Welsh Government and amount of affordable borrowing also strictly limited, so £220m is the maximum available to the HRA for the next 4 years and the sum cannot be increased.
- 6.2 The only potential change to the proposed programme is how funding is apportioned between More Homes and WHQS, which is currently set as WHQS £160m, MH £60m.
- 6.3 Additional investment in the WHQS programme to reduce the risk of future non-compliance will just result in the reduction of supply of more social housing and increased pressure on General Fund to meet Homelessness statutory obligations.
- 6.4 Conversely, extra investment in the More Homes budget to increase supply will potentially result in an increase of non-compliance of WHQS statutory programme.
- 6.5 The 4-year programme presented sets out a a reasoned approach and a sustainable programme that mitigates risks as far as practically possible and is recommended to be adopted.
- 6.6 In respect of current compliance, in 2023 the Council has continued to maintain its homes to the current WHQS and reported to Welsh Government that 71.2% of its properties are fully compliant and with 28.8% reported as having an 'acceptable fail' in accordance with published guidance. The majority of acceptable fails are a result of

tenant choice and whilst properties may contain an acceptable fail they will continue to be maintained and managed through the Council's repairs services to ensure tenants remain safe and secure in their homes

## **7.0 Financing of HRA Capital Budget 2023/24-2027/28**

7.1 The attached capital budget proposals will be funded through a combination of Welsh Government (WG) contribution via its Major Repair Allowance (MRA) grant, revenue contributions from the HRA, borrowing and grants to support decarbonisation retrofit works to existing stock and new build. Details are set out in Appendix A.

7.2 The funding of the attached capital budget proposals requires borrowing of £58.2m for the period between 2024/25 and 2027/28. Total forecast of outstanding HRA borrowing at 31 March 2028 is £196.95m.

## **8.0 Risks**

8.1 The risks to the 4-year programme are similar to those set out in the HRA Revenue report. In particular, the level of Major Repair Allowance grant, levels of Social Housing Grant (SHG) available to support new build, future rent increases (which are determined by WG) and the effect of Welfare Reform on levels of rental income which support capital funding. Additionally there are wider economic risks and the impact of inflation, particularly within the building industry

8.2. Maintaining a financially viable business plan may reduce future compliance levels across statutory obligations.

## **9.0 Integrated Assessment Implications**

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

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



- 9.2 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'.
- 9.3 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.
- 9.4 An IIA Screening Form has been completed and a full IIA report is not required. Reaching and maintaining the Welsh Housing Quality Standard for the Council's housing and building and acquiring additional properties for the purposes of increasing the supply of social housing in Swansea is an example of the 5 Ways of Working promoted by the Wellbeing of Future Generations (Wales) Act 2015 and will contribute towards the 7 well-being goals. The planned programme of repairs and More Homes activities set out in this report is about securing sufficient social housing for the long-term and will benefit future generations. Reaching and maintaining the standard and increasing the supply has reduced carbon emissions, increased efficiency and supported employment and the local economy. Future investment will be subject to consultation with those individuals affected via the Council's Major Works Agreement and all schemes needing planning consent will be subject to normal planning procedures and the council's IIA process. Any individual requirement will be taken into account during the scheme liaison process.
- 9.5 Repairing and maintaining existing council housing will secure social housing for the long term, making them healthier and more efficient places to live. New build social housing will stimulate local economic growth, addressing issues such as poverty, inequality, jobs and skills which directly contributes to the council's obligations to act in a sustainable way pursuant to the WFGA.

## **10.0 Legal Implications**

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

## **11.0 Financial Implications**

- 11.1 Expenditure is ring fenced to the HRA and will be fully funded by a combination of MRA grant from Welsh Government, revenue contributions from the Housing Revenue Account, HRA borrowing, and Social Housing Grant (SHG). There are no financial implications for the Council General Fund.

- 11.2 Borrowing of £58.2m will be required to fund the WHQS and new build programmes from 2024/25 to and including 2027/28.
- 11.3 Contained within programme of improvements are work streams that will contribute towards reducing occupancy related carbon emission as part of the decarbonisation agenda. The scale of these proposed improvements will be small relative to the overall requirement to fully decarbonise the housing stock.
- 11.4 The investment required to completely decarbonise the Council's housing stock based upon in-house assessment is unaffordable within the existing HRA Business Plan. Additional investment and support will be needed from Welsh Government to deliver their strategic policy objectives.

**Background Papers - None.**

**Appendices**

Appendix A: Summary of the revised budget for 2023/24 and a budget for 2024/25 – 2027/28.

Appendix B: A detailed breakdown of the revised budget for 2023/24 and a budget for 2024/25 – 2027/28.

Appendix C: Scheme descriptions.

Appendix D: Summary WHQS2023 additional duties

Appendix E: Summary of schemes omitted or deferred

Appendix F: Integrated Impact Assessment Screening Form

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Summary of HRA Capital Budget and Programme 2023/2 to 2027/28							
Scheme	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	Original	Revised	Original	Original	Original	Original	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Good State of Repair</b>							
Wind and weatherproofing	14,975	8,664	18,722	22,375	18,370	12,370	<b>80,501</b>
System built houses and highrise Blocks	2,180	1,745	5,074	12,148	11,635	9,149	<b>39,752</b>
Roofing	1,465	1,185	1,340	1,110	405	705	<b>4,745</b>
Windows, doors and general repairs	330	435	480	155	355	355	<b>1,780</b>
<b>Safe and Secure</b>							
Fire Safety	2,950	1,833	2,450	1,000	1,050	1,100	<b>7,433</b>
Electrical Improvements	2,595	2,106	1,760	1,410	1,480	1,580	<b>8,336</b>
Passenger Lifts	150	25	150	250	250	160	<b>835</b>
<b>Adequately Heated, Fuel Efficient &amp; Well Insulated</b>							
Heating Systems	920	969	965	1,200	1,300	1,700	<b>6,134</b>
Energy Efficiency and Grant Support	90	10	60	5	5	5	<b>85</b>
<b>Contain Up to Date Kitchens and Bathrooms</b>							
Kitchens and Bathrooms	2,650	3,488	1,100	650	600	450	<b>6,288</b>
<b>Located in Attractive and Safe Environments</b>							
Environment - Within the Curtilage	6,707	4,176	7,703	3,000	2,675	2,675	<b>20,229</b>
Estate Based Environment	950	988	700	750	500	500	<b>3,438</b>
<b>Meeting Requirements of the Household</b>							
Disabled Adaptations	2,750	2,750	2,750	2,750	2,750	2,750	<b>13,750</b>
<b>More Homes</b>							
New Build and Acquisitions	11,159	7,579	11,805	10,681	12,820	21,324	<b>64,209</b>
<b>Total</b>	<b>49,871</b>	<b>35,953</b>	<b>55,059</b>	<b>57,484</b>	<b>54,195</b>	<b>54,823</b>	<b>257,515</b>

<b>Financed By:</b>	<b>2023/24 Revised</b>	<b>2024/25 Original</b>	<b>2025/26 Original</b>	<b>2026/27 Original</b>	<b>2027/28 Original</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Major Repair Allowance (MRA)	9,280	9,280	9,280	9,280	9,280	46,400
Revenue Contribution to Capital (RCCO)	18,559	33,624	28,751	24,518	23,234	128,686
Borrowing		7,400	16,700	17,300	16,800	58,200
Social Housing Grant (SHG)	1,477	1,710	1,596	3,097	5,509	13,389
Land and Building Development Fund (LBDF)	680		632			1,312
Transitional Accommodation Capital Programme (TACP)	1,312		525			1,837
Optimised Retrofit Programme (ORP)	3,045	3,045				6,090
RCCO S.106 Commuted Sums	1,600					1,600
<b>Total</b>	<b>35,953</b>	<b>55,059</b>	<b>57,484</b>	<b>54,195</b>	<b>54,823</b>	<b>257,515</b>

## Appendix B

<b>HRA Capital Programme</b>	<b>2023/24</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
<b>Scheme</b>	<b>Original</b>	<b>Revised</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>
	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>
<b>Good State of Repair</b>							
Wind & Weatherproofing, Fforesthall	1,660	2,000	1,865	1,950	1,950		<b>7,765</b>
Wind & Weatherproofing, Garden City	600	20	1,260	1,850	1,700	1,050	<b>5,880</b>
Wind & Weatherproofing, Birchgrove Road Area	200	57	780	1,400	1,500	1,900	<b>5,637</b>
Wind & Weatherproofing, Pentrechwyth	2,130	1,500					<b>1,500</b>
Wind & Weatherproofing, Trallwn Road Area	840		1,200	1,400			<b>2,600</b>
Wind & Weatherproofing, Penyrheol	900	100	1,575	1,465	1,840	1,120	<b>6,100</b>
Wind & Weatherproofing, Waunarlwydd	500	100	1,125	1,800	1,900	1,750	<b>6,675</b>
Wind & Weatherproofing, Clase, Longview Road Area	655	803					<b>803</b>
Wind & Weatherproofing, Clydach Tanycoed Area	200	630					<b>630</b>
Wind & Weatherproofing, Clydach Woodside Area	1,200	700	1,800	1,610	2,000		<b>6,110</b>
Wind & Weatherproofing, Gwernfadog & Llanllienwen Road Area	635	75	910	1,600	1,700		<b>4,285</b>
Wind & Weatherproofing, Garnswllt	580	34	500	400			<b>934</b>
Wind & Weatherproofing, Morryston Area	750	13	980	1,850			<b>2,843</b>
Wind & Weatherproofing, Llwynceithin & Maes Glas Flats		20					<b>20</b>
Wind & Weatherproofing, Penlan & Gendros	700	90	1,320	1,590	1,220	1,550	<b>5,770</b>
Wind & Weatherproofing, Sketty	700	100	1,500	1,860	1,750	1,950	<b>7,160</b>
Wind & Weatherproofing, Brondeg						600	<b>600</b>
Wind & Weatherproofing, Landore	1,205	862					<b>862</b>
Wind & Weatherproofing, Mayhill & Townhill	1,800	1,285	1,653	1,500	1,560	1,300	<b>7,298</b>
Wind & Weatherproofing, West Cross		150					<b>150</b>
Wind & Weatherproofing, West Cross - Boarspit	650	100	1,944	1,850	1,250	1,150	<b>6,294</b>
Wind & Weatherproofing, Various Locations - More Homes Acquisitions	50	25	275	250			<b>550</b>
Wind & Weatherproofing, Various Locations – Existing Stock			35				<b>35</b>
Airey & Traditional Built Properties, Felindre	350	56	550	450			<b>1,056</b>
Resiform & Traditional Built Properties, Craig Cefn Parc	700	434	<b>850</b>	<b>550</b>			<b>1,834</b>
Wimpey No Fines, Heol Emrys & Tudno Place Kitchens and Bathrooms	500	500	824	824	1,380		<b>3,528</b>

<b>HRA Capital Programme</b>	<b>2023/24</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
<b>Scheme</b>	<b>Original</b>	<b>Revised</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>
	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>
Wimpey No Fines, Heol Emrys & Tudno Place External Envelope Work				774	1,355	1,549	<b>3,679</b>
Highrise Flats, Dyfatty - Croft Street	600	600	2,800	9,500	8,100	2,000	<b>23,000</b>
Highrise Flats, Dyfatty - Griffith John Street Area	30	5	50	50	800	5,600	<b>6,505</b>
Highrise Flats, Clyne & Jeffreys Court		50					<b>50</b>
Highrise Flats, Clyne Court Internal Waterproofing		100	-				<b>100</b>
Chimney Repairs	1,100	870	930	400	400	400	<b>3,000</b>
Chimney Repairs Building Services	0	120					<b>120</b>
Pitched Roof Renewal, Uplands Sketty	360	160	200				<b>360</b>
Pitched Roofing, Townhill			200	700			<b>900</b>
Pitched Roof, Various	5	5	10	10	5	5	<b>35</b>
Pitched Roof, Slate Roofs						300	<b>300</b>
Flat Roof Renewal, Various		30					<b>30</b>
Balcony Repairs		34	200				<b>234</b>
Window & Door Renewal	10	15	50	50	250	250	<b>615</b>
Fire Door Improvement	150	250	85	20			<b>355</b>
Structural Repairs	100	90	110	80	100	100	<b>480</b>
Drainage Repairs & Improvements	40	5	30	5	5	5	<b>50</b>
Repairs to DHOs - Various	30	41	5				<b>46</b>
<b>Safe and Secure</b>							
Fire Safety General	350	250	650	100	100	100	<b>1,200</b>
Smoke & Carbon Monoxide Detectors & Environmental Sensors	2,400	800	1,650	900	950	1,000	<b>5,300</b>
Fire Safety Sprinkler System - Highrise & Sheltered	0	55	-				<b>55</b>
Sprinkler System - Griffith John Street	200	728	150				<b>878</b>
Electrical Rewiring	1,650	1,250	1,200	1,200	1,300	1,400	<b>6,350</b>
Electrical Rewiring & Emergency Systems to Communal Blocks	100	100	150	150	150	150	<b>700</b>
Electrical Rewiring Sub Mains to Highrise Blocks	5	5					<b>5</b>
Warden Call and Tynetec System	490	481	250				<b>731</b>
Communal Aerials	150	70	10	30			<b>110</b>

<b>HRA Capital Programme</b>	<b>2023/24</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
<b>Scheme</b>	<b>Original</b>	<b>Revised</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>
	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>
CCTV	200	200	150	30	30	30	<b>440</b>
Passenger Lift Renewal and Improvements - Matthew Street	150	25	150	250	250		<b>675</b>
Passenger Lift Renewal and Improvements - Conway Court						160	<b>160</b>
<b>Energy Efficiency and Adequately Heated</b>							
Drimaster / Ventilation Programme	20	20	5	50	50	200	<b>325</b>
Boiler / Heating Replacement	900	900	950	950	1,200	1,400	<b>5,400</b>
Communal Boiler Replacement			10	150			<b>160</b>
Distribution Systems - General - Gas and Wet systems		18		50	50	100	<b>218</b>
Heating Upgrades / Fuel Conversions		31					<b>31</b>
Loft Insulation	80		55				<b>55</b>
Energy Efficiency - City Wide, Heat & Ventilation	10	10	5	5	5	5	<b>30</b>
<b>Kitchens and Bathrooms</b>							
Kitchen & Bathroom Renewal			300	200	100	100	<b>700</b>
Kitchen & Bathrooms - Extractor Fan Renewal				50	100	200	<b>350</b>
Kitchen & Bathrooms - Voids Preparation	1,600	2,200	800	400	400	150	<b>3,950</b>
Kitchen & Bathrooms - Tenant Request	700	685					<b>685</b>
Kitchens & Bathrooms - Pantgwyn	350	603					<b>603</b>
<b>Located in Safe Attractive Environment</b>							
<b>Environment - Within the Curtilage</b>							
External Facilities - Various Schemes	1,000	200	800				<b>1,000</b>
External Facilities - West Cross				500	1,500	1,500	<b>3,500</b>
External Facilities - Townhill			525	525	800	800	<b>2,650</b>
External Facilities - St Thomas		420					<b>420</b>
External Facilities - Clase	150	120	370				<b>490</b>
External Facilities - Brondeg/City Centre	200	30	15				<b>45</b>
External Facilities - Samuel Cres, Gendros		20					<b>20</b>
External Facilities - Oaktree Avenue, Sketty	375	338	20				<b>358</b>
External Facilities - Landore/Trewyddfa	200	11					<b>11</b>

<b>HRA Capital Programme</b>	<b>2023/24</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
<b>Scheme</b>	<b>Original</b>	<b>Revised</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>
	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>
External Facilities - Glenside, Portmead	25	25	20				<b>45</b>
External Facilities - Sheltered Complexes	260	125					<b>125</b>
External Facilities - Portmead Avenue Area	250		20				<b>20</b>
External Facilities - Fforesthall	400		20	1,200			<b>1,220</b>
External Facilities - Loughor	250	387					<b>387</b>
External Facilities - Caergynydd Road Area	500	701	30				<b>731</b>
External Facilities - Gower	400	684	30				<b>714</b>
External Facilities - Clase	30	75	350				<b>425</b>
External Facilities - Gowerton	12	12					<b>12</b>
External Facilities - Penllergaer	450	150	1,030				<b>1,180</b>
External Facilities - Pontardulais	900		1,368				<b>1,368</b>
External Facilities - Clydach West	1,000	799	750				<b>1,549</b>
External Facilities - Clydach East			1,500	300			<b>1,800</b>
External Facilities - Townhill and Mayhill			375	375	375	375	<b>1,500</b>
Voice Entry Systems	300	79	480	100			<b>659</b>
<b>Environment - Estate Based</b>							
General Environmental Schemes	950	988	700	750	500	500	<b>3,438</b>
<b>Meeting the Needs of the Household</b>							
Adaptations Internal	2,000	2,000	2,000	2,000	2,000	2,000	<b>10,000</b>
Adaptations External	750	750	750	750	750	750	<b>3,750</b>
<b>More Homes</b>							
More Homes - Pilot - Parc Y Helig	52	10	50				<b>60</b>
More Homes - Creswell Road	632	140	139	1716	647	99	<b>2,741</b>
More Homes - Other	175	70	100	100	100	100	<b>470</b>
More Homes - Acquisitions	3,000	4,600	3,000	2,000	1,000		<b>10,600</b>
More Homes - Hillview/Beaconsview		25					<b>25</b>
More Homes - The Circle West Cross		12					<b>12</b>
More Homes - Conversion 70-72 Alexandra Road, Gorseinon		55					<b>55</b>



<b>HRA Capital Programme</b>	<b>2023/24</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
<b>Scheme</b>	<b>Original</b>	<b>Revised</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>	<b>Original</b>
	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>	<b>000's</b>
More Homes - Heol Dynys New Build	400	100	50	282	3981	1,480	<b>5,893</b>
More Homes - Spark Centre Conversion	500	122	725	22			<b>869</b>
More Homes - Acquisition of General Fund Land	2,000		1,500				<b>1,500</b>
More Homes - Heol Emrys and Tudno Place New Build	650	17	457	457	458	458	<b>1,847</b>
More Homes - Brondeg House	200	200	1,470	1,782	55		<b>3,507</b>
More Homes - Brokesby Road - Master Plan 4 Sites	200	400	200	150		8,196	<b>8,946</b>
More Homes - Milford Way Partnership Scheme A		90	20		2022	2,023	<b>4,155</b>
More Homes - Milford Way Partnership Scheme B		20	20			2,023	<b>2,063</b>
More Homes - Skomer and Westdale	50	10	50	113	113	113	<b>399</b>
More Homes - DHO Conversion Penlan	750	810	10				<b>820</b>
More Homes - Penrhos Place	50	5					<b>5</b>
More Homes - Gorseinon Business Park	50	280	503	503	1,500	2,857	<b>5,643</b>
More Homes - Gower Road	50	10	50	195	194	1,636	<b>2,085</b>
More Homes - DHO Conversion Eastside	750	598	10				<b>608</b>
More Homes - Scurlage	50	5	50			338	<b>393</b>
More Homes - Gorseinon Junior School			51	700	700	51	<b>1,502</b>
More Homes - Acquisition works costs			750	500	300	200	<b>1,750</b>
More Homes - Gwynfaen Farm Section 106			800	411			<b>1,211</b>
More Homes - Garden Village Section 106			1,750	1,750	1,750	1,750	<b>7,000</b>
More Homes - Ty Draw Area, Bonymaen			50				<b>50</b>
<b>Total</b>	<b>58,851</b>	<b>35,953</b>	<b>55,059</b>	<b>57,484</b>	<b>54,195</b>	<b>54,823</b>	<b>257,515</b>

## HRA 4 Year Capital Programme

### WHQS and Scheme Descriptions

#### Good State of Repair

##### Wind and Weatherproofing

Wind and Weatherproofing includes the repair and upgrade of the external fabric and energy efficiency of individual homes. The purpose is to maintain structural integrity, improve weather protection and significantly increase the thermal and energy efficiency. The energy efficiency measures will be aimed towards reducing energy bills and making homes more affordable to live in. The measures will also reduce occupancy related carbon dioxide emissions and contribute towards the Council's and Welsh Government's decarbonisation agenda.

The specification of work will include insulating and renewing roof coverings, weatherboards and rainwater goods, wall tie renewal, application of external wall insulation, window renewal, ventilation and extraction within the home, porches and canopies where necessary, new front and back doors where required, balcony railings, balcony floors and doors, renewing and upgrading communal entrance doors and communal spaces, upgrades to fire safety arrangements, repairs to paths, steps, and handrails, fencing and drying facilities within the curtilage of the home.

Selected schemes commencing from financial year 2024/25 will include as part of the specification renewable technologies including solar panels (photovoltaic panels generating electricity) and battery storage systems. For some locations including those which are off-mains gas, refurbishment may include solar hot water panels, air source heat pumps, or ground source heat pumps, ventilation systems, mechanical heat recovery systems or any emerging technology or system that provides low or carbon neutral benefits to homes. Renewable technologies will typically be included where the equipment has been secured through grant support.

A proportion of properties scheduled for wind and weatherproofing will receive monitoring equipment which will measure and report temperature, humidity and carbon monoxide levels, gas and electricity usage. For selected properties the budget will meet the cost of testing airtightness. The monitoring equipment will allow the Council to assess the performance of homes and the impact of the improvements. Data on homes will be anonymised and then shared with the Welsh Government.

Welsh Government have advised that Optimised Retrofit Programme grant will be available for the Council to claim to assist with cost of undertaking monitoring works, introducing renewable technologies and enhancing fabric related insulation levels to refurbishment schemes.

Introducing renewable technologies into a proportion of wind and weatherproofing schemes will allow the council to better understanding the role these technologies play in making homes more affordable to run and reducing carbon emissions.

To explore emerging technologies, new specifications and new approaches to design, delivery and performance monitoring in relation to energy efficiency the Council may

engage a partner such as an academic body or specialist in this area. Partnership may include direct contribution of some renewable equipment, post occupancy monitoring, as well as public acknowledgement of grant-based contributions, promotion and academic reporting.

These contracts will operate over the period of this four-year programme. Schemes may be packaged together to assist with delivery and may be subject to planning permission requirements; where this applies, officers will submit planning applications as necessary.

### **Airey and Traditional Constructed Properties, Felindre**

Airey properties are of a concrete panel type construction and were built in the early 1950s. Externally, work will include providing new roof coverings and rainwater goods, repairs to the structure, wall finishes replaced with a new system or with traditional building materials depending on the most effective solution. New windows, front and back doors, repairs to paths, steps, handrails, fencing and drying facilities within the curtilage of the home where necessary. The properties will also receive renewable technologies including solar panels, battery storage, ground or air source heat pumps, ventilation systems and performance monitoring equipment. Internally, work will include kitchens and bathrooms and electric wiring as part of the refurbishment and in some instances, improvements to fire safety may be undertaken. The repair scheme will secure the long-term structural integrity of the properties, improve weather protection, provide new internal facilities and increase the thermal and energy efficiency of the dwellings.

To assist with delivery and monitoring performance of the energy efficiency measures, the Council may engage a partner such as an academic body or specialist in this field. Partnership may include direct contribution of some renewable equipment, post occupancy monitoring, as well as public acknowledgement of grant-based contributions, promotion and academic reporting.

This scheme will operate beyond a single financial period. This contract may be subject to planning permission requirements and officers will submit planning applications as necessary.

### **Resiform and Traditional Properties**

Resiform properties are of a timber frame and fiberglass panel type construction and were built in the 1970s. Work will include renewing roofs and rainwater goods, repairs to the structure, application of external wall insulation and where required new thermally efficient windows and front and back doors, repairs to paths, steps, handrails, fencing and facilities within the curtilage of the home where necessary. In some instances, improvements to fire safety may be undertaken. The repair scheme will secure the long-term structural integrity of the properties, improve weather protection and increase the thermal and energy efficiency of the dwellings. Selected properties will include renewable technologies to create Homes as Power Stations (HAPS) which aims to greatly improve the energy efficiency of homes, reduce energy costs for tenants and inform future approaches to reducing carbon emissions and address the Welsh Government's decarbonisation agenda. The scheme may be supported by grant funding. To assist with delivery and monitoring performance of the energy efficiency measures, the Council may engage a partner such as an academic body. Partnership may include direct contribution of some renewable equipment, post occupancy monitoring, as well as public acknowledgement of grant-based contributions, promotion and academic reporting. This scheme will include a cross tenure approach with a single contractor delivering improvements to both Council and private properties. In this case, HRA funding will only support the refurbishment of

HRA properties but the Council may facilitate the scheme with private owners funding their work either directly or through a separately obtained grant. Properties may be subject to planning permission requirements and officers will submit planning applications as necessary.

### **Wimpey No Fines Properties – Heol Emrys and Tudno Place**

Wimpey No Fines are properties built with solid concrete walls and are thermally inefficient. A regeneration project has been commissioned to address some of the issues affecting the Wimpey No Fines properties in Heol Emrys and Tudno Place and an overarching masterplan is complete develop setting out a range of options and a programme of works to enable delivery. Within the plan is a proposed mix of refurbishment, new build, selective demolitions and alterations to the estate layout including the roads and pavements.

The refurbishment element will include structural alterations such as creating new window and door opening to selected properties and where required structural repairs to the existing structures. Generally the scheme will provide increased loft insulation, new roof covering, the application of insulated render to improve thermal efficiency and weather protection, window and door renewal, ventilation systems and performance monitoring equipment. Internally, homes will receive new kitchens and bathrooms and where required, new boilers and electrical wiring. The immediate environment will be enhanced and subject to the designs being finalised, homes will have repairs to paths, steps, handrails, fencing and drying facilities within the curtilage of each home will be undertaken. Where selective demolition is proposed, this will be subject to consultation with residents and stakeholders and will be subject to appropriate approvals. New properties will be designed and delivered in line with the Council's current new build programme.

In summary investment will meet the costs for further detailed architectural design, improvements to the existing stock to ensure they meet the requirements of the Welsh Housing Quality Standard, remodelling to the estate layout and increased supply in new build properties.

The regeneration programme will be subject to planning permission requirements and officers will submit planning applications as necessary.

### **Refurbishment of Highrise and Surrounding Low-rise Flats**

The Council's high rise blocks were built in the early 1960s and locations set out in appendix B now require repairs to ensure their continued use over the long term. The schemes will focus on the remaining blocks in Dyfatty, specifically Croft Street and Griffith John Street and the scope of the work will be significant and varied in order to deliver key aims which include protecting the structures; improving their weather resistance, thermal and energy efficiency and fire safety. The flats will also receive improvements to communal areas within the blocks, internal facilities for individual homes as well as wider environment to ensure they are safe and attractive places to live. Investment will go towards the design, research and preparation of the scheme and the repair and improvements to the high and low rise blocks.

For individual flats, the schemes will provide new kitchens and bathrooms including associated work and improved kitchen layout. Electrical rewiring will be renewed where required, improvements to heating systems, integrated television reception systems and cabling for internet access, new door entry systems and upgrades to fire safety which will

include the installation of sprinklers through individual flats, improved fire detection and warning, fire stopping and improved fire separation. Work inside homes may require additional repairs and renewal of decorative and floor finishes depending on the level of disruption within homes.

Where required ground flats will receive waterproofing works to protect from water penetration, in particular through the floor slabs. The work will include making floor slab impervious to water penetration and ensure homes are protect from ground water levels.

Communal areas will have improved drainage and repairs and upgrades to any incoming or outgoing ducts and pipe work as well as service shafts. The blocks will receive new passenger lift cars and equipment including firefighting lifts where appropriate, new communal lighting and electrical installations including communal integrated TV and internet cabling and where required upgrade to the incoming electrical sub mains supply. Communal areas will also be covered by a new sprinkler system and upgrades to CCTV to ensure all areas are monitored. Where required improvements to fire safety, decoration and floor finishes may be included.

Externally, the work will include a new roof and roof insulation, structural repairs, insulation and cladding systems, rainwater and foul water drainage and dispersal equipment, possible upgrades to incoming gas, electrical and water services, improvements to the communal walkways and upgrades to the balcony rails, balcony drainage and flooring, new balcony doors, repairs to balcony slabs, new thermally efficient windows, upgrades to fire protection, improved CCTV systems where required, improved entrances, renewal of the communal electrical wiring and lighting, and improvements to the decoration.

The highrise schemes will treat the immediate Housing owned areas in the surrounding areas with the aim to provide a safe and attractive environment for residents and visitors. To achieve this, the scheme will seek, amongst other works, to improve paths and circulation routes, improve security and safety which may include fencing and walls and improved lighting and CCTV coverage. Also work will include repairs to free standing and retaining walls, parking and areas of hard and soft landscaping, removal of garages and creation of additional resident parking.

The project will also create new accommodation on the ground floors of both highrise blocks HRA. The new accommodation will provide a mixture of general needs HRA flats that will be suitable for tenants with disabilities. The creation of new accommodation will mean the Town Centre Area Housing Office will be relocated away from Croft Street flats.

As part of the improvements to the wider area, the HRA may seek to acquire or appropriate properties, structures and/or parcels of land in order to contribute more towards improvements to the High Street area. In such cases, officers will undertake appropriation and acquisition activities in line with the Council's constitution and corporate financial rules.

The project is expected to take over four years to complete and will run across the full-time scale of this reporting period. Schemes will be subject to planning permission requirements and officers will submit planning applications as required.

### **Chimney Repairs**

The scheme will involve repairing, rebuilding or taking away chimneys if no longer required as well as any associated works to heating systems. The work will prevent damp, minimise repairs for the response repair service and will be an ongoing scheme over the four year reporting period.

### **Pitched Roof Renewal**

Pitched roof renewal includes repairing the roof structure and chimneys, increasing insulation levels and replacing the roof covering to ensure long-term weather protection. Where appropriate, schemes may include new or replacement renewable technologies such as photovoltaic panels, solar hot water panels and battery storage. Contracts are expected to run over the period of this four year programme.

### **Flat Roof Renewal**

The scheme will include the renewal of flat roofs within the HRA portfolio and will include flat roofs to main buildings, stores or walkways. The work will include improved insulation and new materials to secure long-term weather protection. Work may also include any minor repairs and upgrades to fire safety in these areas. Where appropriate, schemes may include new or replacement renewable technologies such as photovoltaic panels, solar hot water panels and battery storage.

### **Balcony Repairs**

Balconies will be repaired and improved to ensure they remain in good condition and safe to use. Repairs will include new balcony rails and enclosures (where present), repairs to the balcony slabs including weather protection, supports and structures, drainage, floor surface or fire safety upgrades where required.

### **Window and Door Renewal**

Replacement of windows and doors which are at the end of their useful life or require upgrading; the new units will improve thermal efficiency and security. Where required, some windows will be replaced to provide a means of escape or receive equipment for smoke control. Where necessary, fire doors will be renewed in flats and to storage or communal areas to ensure they provide suitable fire protection.

### **Structural Repairs**

Structural Repairs will treat free standing or retaining structures or parts of existing buildings or supporting ground where there is failure or disrepair, subsidence, heave or movement cases, and other structural elements belonging to HRA assets that are considered to be in need. The budget will meet costs for investigations, design and scheme preparations as well as demolition, repairs and renewal of properties or structures. Where necessary, this budget may support the the purchase of properties or parcels of land where there are structurally related issues or may assist with rectifying structural problems.

### **Drainage and Services**

Where new drainage is required, existing drainage is in disrepair or in need of upgrading, servicing or there is a need to address changes in demand, or upgrades to incoming water supplies, the scheme will look to maintain or improve sites and may include specialist desing, investigations and monitoring activities assisting in the design and evaluation of systems, new systems, alternative or new layouts, expansion of current systems or works to support or protect systems and arrangements. In scope will be formal storm and foul

water drainage systems, swales, rain gardens, attenuation systems, gullies, watercourses, rivers, streams, ditches and culverts and areas of water run-off, pooling or ponding.

### **Repairs to HRA Offices and Operational Assets – Various**

The investment is allocated to carry out repairs, alterations, refurbishment or renewal to HRA offices and / or HRA operational assets where required. The scope of work may include the conversion of existing facilities into accommodation or vice versa depending on service requirements, demolition of redundant offices or structures in connection, the repair and upgrade or the extension or creation of new assets to assist with the management and maintenance of the HRA housing stock. The work will include various items relating to the design, fees, structure, fabric, electrical, mechanical, drainage, incoming services and elements within the curtilage. If works are subject to planning permission requirements, officers will submit planning applications as required.

## **Safe and Secure**

### **Fire Safety and Risk Reduction – Various Locations**

A range of fire safety and general risk reduction measures will be undertaken to homes, land and HRA assets. Work will be varied and will include the provision of up-to-date fire safety signage and other fire safety communication, upgrading fire stopping materials, possible changes to layout and access routes, intrusive investigations and whole building risk assessments by specialists, testing in relation to improvement work, safety improvements within homes and communal areas including communal kitchens, fire barriers, upgrades to firefighting equipment and material and improvements to fire safety monitoring and warning systems. Where opportunities arise, the Council will seek grant support and officers will follow relevant financial procedure rules relating to grants. If works are subject to planning permission requirements, officers will submit planning applications as required.

### **Smoke Alarms, Carbon Monoxide Detectors and Environmental Sensors**

Hard wired smoke alarms, heat detectors and carbon monoxide detectors will be renewed in homes to ensure uninterrupted service and ensure homes remain safe. Investment will also be used for installing, repairing and renewing environmental sensors within the home. Environmental sensors monitor heat, humidity, carbon monoxide and energy use in the home and will be a requirement for accessing Welsh Government grant aimed at supporting a programme of making homes more affordable to live in and more energy efficient. Alarms and sensors will also include remote monitoring systems which detect alarms removal, activation and disrepair. The project will be ongoing and will run over the period of this four-year programme.

### **Fire Safety Sprinkler Systems – Highrise and Sheltered Complexes**

The scheme will install a sprinkler system to individual flats and communal areas of highrise blocks and older person sheltered complexes. Investment will be to all works in connection with delivering this work. The aim is to improve the fire safety for residents.

### **Electrical Rewiring – Various Locations**

Homes with electrical installations which are approximately 30 years or identified through testing as requiring renewal will be rewired as part of a planned scheme. Investment will meet the cost of the installation and works in connection as well as disruptions costs. The project will be a long-term contract and will run over the period of this four year programme.

### **Electrical Rewiring Contingency – Various Locations**

Properties will be rewired where an electrical inspection has identified that this is necessary.

### **Electrical Rewiring & Emergency Systems to Communal Areas**

The electrical systems in communal areas will be rewired and improved where the existing installations are required by the relevant regulation, where an electrical inspection has identified that this is required or where it is required as part of a service provided by the Council. The scope of the work will include the provision of new electrical wiring, emergency lighting, new communal aerial facilities, lightning conductors, fire alarms, Automatic Opening Vents (AOVs), smoke extraction systems, IT systems and cabling, warning or helpline systems, CCTV, electrical mains and sub mains supply (where in housing ownership), solar panels serving communal areas and communal fire alarm systems as required. This budget may also be used for electrical equipment in the Council's ownership and control such as laundry or cooking facilities. This contract will operate over the period of this report.

### **Warden Call and Alarm Systems**

Investment is required to upgrade and improve resident and warden call systems to alarm receiving centres to ensure continued uninterrupted service provision for contract holders in need of support and assistance. Work will include all relevant materials, installation activities and subscriptions to ensure tenants have access to a call system that contributes towards or facilitates support and help in older person accommodation.

### **Communal Aerials and TV Systems**

The scheme is to repair, renew and upgrade existing communal aerial systems and install new where appropriate in housing accommodation. The majority of work will take place in older person sheltered accommodation and blocks of flats. The work will include upgrading and renewing aerial and satellite systems.

### **CCTV and Remote Concierge Systems**

Investment will be to provide new CCTV and concierge systems and supporting equipment where required and renew and upgrade existing CCTV systems, infrastructure, monitoring systems and remote concierge systems to ensure they meet the needs of the Housing Service. The installation and renewal will follow the required protocols for the installation and use of CCTV systems.

### **Passenger Lift Repair, Improvement and Provision – Various Locations**

The Housing Service has responsibility for passenger lifts within its blocks of flats and sheltered accommodation. The investment is to meet the cost of assessment, design and repair, improvement, alteration or renewal to passenger lifts and lift shafts, and associated work where there are defects (or at the end of their useful life) to ensure continued safe and long-term provision. The scope of work will include new lift cars, work to electronics, lift shaft repairs and upgrade, provision of fire-fighting lifts and auxiliary power systems, and where there is sufficient requirement, new provision may be included at selected sites.



## **Adequately Heated**

### **Ventilation Programme - Various**

Investment will be to improve ventilation arrangements to improve air quality, and the energy efficiency within homes to ensure they are healthy and efficient places to live.

### **Boiler Replacement – Various Locations**

Heating systems will be renewed or upgraded as part of a long-term programme aimed at improving efficiency and reliability. The scope of the work will include surveys, investigations and designs, option appraisals where required, renewal to both individual and communal heating systems, upgrades to existing systems and fuel switching where required – this may include renewable energy systems where appropriate. This contract is ongoing and will run over the period of this four year programme.

### **Heating Distribution Systems – Various Locations**

Investment will be used for investigations, designs as well as the repair and improvement of heating distribution systems and any work in connection including gas or fuel supplies in HRA ownership or any drainage or discharging points. Work will typically include repairs, improvements and renewal of central heating pipe work, radiators, valves and thermostatic valves, insulation measures, room thermostats, electrical supply, safety valves and cut-off systems and communal heating systems. The work may also involve reconfiguring and rerouting pipe work and any works in connection. The aim is to ensure heating systems are efficient, effective, safe and reliable for tenants.

### **Heating Upgrades – Various Locations**

The scheme is designed to provide fuel switching to council homes e.g. coal to gas, storage heaters to gas or the installation of renewable heating system etc. as well as provide minor improvements to heating systems including time clocks and room thermostats.

### **Loft Insulation**

The scheme will improve loft, roof and ceiling insulation levels in council homes with the aim of improving thermal efficiency. This contract will operate over the period of this four year programme. The scheme will also seek to access and support grant funding where available.

### **Energy Efficiency Measures and Energy Grant Support – Various**

This investment is to meet the costs directly and/or support grants for carrying out design and feasibility studies as well as the delivery of measures that improve thermal and energy efficiency and/or Carbon Emissions in council homes. Work may include design and monitoring activities, engaging in academic studies into energy efficiency, the installation or the renewal of solar photovoltaics, solar hot water, battery storage, air source or ground source heat pump, mechanical vent heat recovering systems, communal heating systems, insulation measures including wall insulation or other emerging energy saving technology / applications. The aim is to support projects that will develop knowledge and understanding, make homes more energy efficient, reduce energy costs for tenants, reduce carbon emissions and inform future approaches. The work will be ongoing and is expected to run over the period of this four year programme. Where opportunities arise, the Council will participate in grant assisted energy efficiency schemes and officers will follow relevant financial procedure rules relating to grants. Schemes or activities which are subject to planning permission requirements, officers will submit planning applications as necessary.

## **Kitchen and Bathroom Renewal**

### **Kitchen and Bathroom Renewal**

The investment will be to improve the internal living facilities, making these more safe and useable. Work may include, depending on requirements, alterations or replacement to electrical wiring, replacement central heating systems, incoming water supply, drainage arrangements, renewing food preparation surfaces, storage and cooking areas, kitchen layout alterations, flooring, decorative finishes including tiling and where required the renewal of sanitary facilities. Where required, the scheme will include general improvements to the home to enable kitchens and bathrooms to be improved, for example damp treatment, floor slab repairs/renewal or structural alteration to improve space and circulation within the home. The scheme will also include alterations and adaptations to kitchen and bathrooms where the occupants are identified as requiring these due to age, illness or disability. Contracts will operate over the period of this four year programme.

## **Located in Safe/Attractive Environments**

### **Environment - Within the Curtilage**

#### **External and Communal Facilities (Including Fencing/Walls/Hardstanding & Paths)**

The scheme will undertake repairs to the external facilities within the curtilage of individual homes and communal areas of blocks of flats to ensure they are reasonably safe and practicable areas. Garden areas can vary considerably from property to property and therefore the work will be tailored to the needs of individual homes but will broadly include minor repairs or partial replacement of fencing and boundary walls, walls within the curtilage, repairs to structural paths, steps, handrails, drying facilities, clearance and or planting where necessary or lighting to communal areas. Where some facilities are no longer viable, these may be removed. The project will be ongoing and will run over the period of this four year programme.

### **Meter Boxes**

The scheme will replace and upgrade gas and electric meter boxes to improve safety and the appearance. The project will be ongoing and will run over the period of this four year programme.

### **Voice Entry Systems**

The scheme will renew and upgrade existing or provide new communal entrance doors in blocks of flats with voice entry systems. Investment will also ensure communal areas are protected and improve the safety and security for tenants and residents.

## **Environment**

### **General Environmental Improvement Schemes**

The scheme is to improve areas belonging to the Housing Revenue Account element of the Housing Service which are outside the curtilage of individuals' homes. The schemes will be based on consultation exercises with stakeholders as well as repairs and improvements necessary for the Housing Service to discharge its duties as asset holder.

## **Meeting Requirements of the Household**

### **Adaptations**

This funding is for alterations and improvements to council homes for tenants with medical conditions or disabilities. This scheme is ongoing and will operate over the period of this four-year programme.

### **More Homes**

The investment will be to support the creation of Council homes for social rent and increase the supply of affordable housing in Swansea. The investment will be primarily used to construct new homes on HRA land but also to acquire houses, flats, bungalows, property, buildings and land, and undertake any necessary clearance and preparation or other preparatory work associated with actions set out in the agreed 'More Council Homes Strategy'. Officers will undertake appropriation and acquisition activities in line with the Council's constitution and financial procedure rules. Activities to deliver the More Council Homes Strategy will include seeking and utilising grant assistance wherever available. As well as direct delivery to build new homes, the Council will also seek options to procure a development partner or a range of partners to deliver larger mixed tenure HRA sites, as well as exploring opportunities to work with local RSLs on delivery partnerships. The schemes will operate over the period of this 4-year programme. Schemes will be subject to planning permission requirements and officers will submit planning applications as required.

## Welsh Housing Quality Standard 2023 (WHQS 2023)

### 1.0 Background

- 1.1 The WHQS is a legal requirement and a strategic target for the Council; it contains key standards that social landlords across Wales are expected to meet. In Oct 2023, Welsh Government announced it had completed its review of standards for social housing in Wales and published the new Welsh Housing Quality Standard 2023 which will formerly come into effects from the 1<sup>st</sup> April 2024.
- 1.2 The new standard maintains many of the requirements of the original but introduces new ambitious targets for affordable warmth, decarbonisation, storage arrangements, letting standards and water saving measures. Each new target measure will have significant cost implications for both HRA revenue and capital budgets.
- 1.3 The new element that presents the greatest challenges operationally and financially is affordable heating and decarbonisation. To enable landlords to identify future scope of work and budget cost for each property, a Whole Stock Assessment (WSA) of all 13,753 properties must be completed and presented to Welsh Government by April 2027. A further key milestone stone will be ensuring each property achieves a SAP 75 rating by 2029/30.
- 1.4 The standard also requires landlords assess their housing portfolio against the standard and to submit evidence including annually updated compliance figures, a compliance policy and business plan to the Welsh Government and compliance statements for new tenants. Compliance reporting will change with a move away from acceptable fails and the introduction of conditional passes and temporary fails.
- 1.5 Schemes detailed in Appendix C will contribute towards the following key components of the new Welsh Housing Quality Standard 2023:

#### **In a Good State of Repair**

Dwellings must be structurally stable; free from damp and disrepair with key building components being in good condition.

#### **Safe and Secure**

Dwellings should be free from risks that could cause serious harm and should be secure in key areas of the home. Heating and electrical systems checks to be up to date and safe; doors and windows to provide good levels of security and fire safety measures to be well designed and in good condition.

#### **Affordable to Heat and Have Minimal Environmental Impact**

Heating systems must be reasonably economical to run and capable of heating the whole of the home and carbon emissions must be minimised.

#### **Contain Up to Date Kitchens and Bathrooms**

Kitchen and bathroom facilities are to be relatively modern and in good condition; sufficient to meet the needs of the household and well laid out to prevent accidents.

### **Homes must be Comfortable and Promote Wellbeing**

This includes the existing requirements for ensuring homes meet the needs of individuals, it also contains new requirements such as ensuring homes have floor coverings throughout the property at the point of letting and to ensure homes are protected from noise where noise poses a threat to mental and physical health.

### **Homes must have a Suitable Garden**

Homes with gardens to be safe with reasonable level area, safe means of circulation within the curtilage and boundaries which provide security. Improvements will be required to ensure areas within the curtilage of properties are safe and communal areas and the wider shared environment are safe and attractive.

### **Attractive and Suitable Outside Space**

Homes are to have a robust lockable storage area for items such as bicycles with the standard making links with wider active travel aspirations. A further requirement is placed on improving the wider environment.

## **2.0 Meeting the New Standard**

2.1 Welsh Government has set a deadline of 2033/34 to meet the requirements of the new standard with the exception of Affordable Heat and Decarbonisation where an interim efficiency and low carbon target of SAP 75 and Environmental Impact Rating of 75 are required by the end of financial year 2029/30 and the longer term target of SAP 92 and Environmental Impact Rating 92 are to be agreed between the landlord and Welsh Government. Key milestone dates are summarised as follows:

- 1<sup>st</sup> April 2024 – Formal introduction of WHQS2023
- 1<sup>st</sup> April 2027 – Submission to WG of Whole Stock Assessment (WSA)
- 1<sup>st</sup> April 2030 – Each property SAP 75 compliant
- 1<sup>st</sup> April 2034 – Completion of WHQS2023 programme (except decarbonisation)
- To be agreed – Completion of decarbonisation programme (SAP 92, EPC A, EIR 92) based on programme size, finance available. Date to be negotiated and agreed with WG based on WSA data.

2.2 The extent of the new or extended measures contained in WHQS2023 are summarised as follows:

- Fire and electrical safety
- Warmth & Environmental Impact
- Flooring
- Water Efficiency
- Biodiversity
- Active travel
- Noise Nuisance

2.3 A detailed report on new regulations will be present to Council in the coming months

## 12nr. Schemes with Limited Number of Properties Receiving Solar PV Panels and Batteries

The table below sets out the schemes with two phases or more of wind and weatherproofing and which addresses will receive renewables and which will receive only fabric upgrades. If grant funding for renewable technologies becomes available in future, schemes may re-introduce renewable technologies which are currently fabric only.

The addresses listed are HRA properties only.

Wind & Weatherproofing	Addresses
<b>Garden City</b>	
Phase 1 - Fabric, PV & Battery	Llwyn Bedw: 1, 3, 7, 8, 9, 10, 11, 12 (8 properties) Llwyn Celyn: 1, 3, 4, 7 (4 properties) Llwyn Derw: 2, 10, 14, 18, 20, 25, 26, 29, 30, 31, 33, 37, 38, 39 (14 properties) Llwyn Eithen: 1, 2, 3, 4, 5, 6, 7, 8, 9 (9 properties) Llwyn On: 1, 3, 4 (3 properties)
Phase 2 - Fabric Only	Llwyn Derw 57, 59, 61, 63, 64, 67, 68, 69, 70, 73, 77, 83, 85, 91, 97, 98, 100, 101, 103, 104, 105, 106, 107, 108, 111, 112, 114, 115, 122, 126, 130 (31 properties) Llwyn Helyg 2, 3, 4, 6, 8, 9 (6 properties)
<b>Penyrheol</b>	
Phase 1 - Fabric, PV & Battery	Blackhill Road 3 (1 properties) Brynafon Road 2 (1 properties) Fernhill Road 1 (1 properties) Gower View Road 4, 4A, 6, 6A, 8, 27, 31, 36, 37, 39, 43, 47A, 47B, 47C, 47D, 49, 49A, 55, 55A, 57, 57A, 59, 61, 63, 63A (25 properties)
Phase 2 - Fabric Only	Beech Crescent 12, 16A, 18, 18A, 20, 20A, 22, 22A, 24, 24A, 26A, 28, 31, 31A, 33, 33A, 35 (17 properties) Chestnut Avenue 11, 16, 16A, 18, 18A, 20A, 22, 22A, 32 (10 properties) Heol Cynan 18, 22, 24, 26 (4 properties)
Phase 3 - Fabric Only	Clos Cwrt Y Carne 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 20, 21, 22, 24 (20 properties)

	Gower View Road	87, 91, 95, 97, 99, 101, 103, 105, 107, 109, 111, 115, 117, 119, 123, 125, 131, 133 (18 properties)
	Penyrheol Road	47, 49, 51 (3 properties)
Phase 4 - Fabric Only	Rowan Close	1, 2, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 24, 26, 28, 30 (20 properties)
<b>Waunarlwydd</b>		
Phase 1 - Fabric, PV & Battery	Clas-Y-Bedw	1, 2, 3, 4, 5, 6, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60 (51 properties)
	Cwm Clyd	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, 15, 16, 21, 25 (16 properties)
Phase 2 - Fabric Only	Clas-Y-Deri	2, 3, 5, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 (29 properties)
	Clas-Yr-Onnen	1, 2, 4, 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25 (21 properties)
	Cwm Clyd	27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82 (23 properties)
<b>Woodside Area, Clydach</b>		
Phase 1 - Fabric, PV & Battery	Brynteg	11, 17, 52, 56 (4 properties)
	Woodside Crescent	2, 3, 4, 6, 7, 8, 12, 14, 15, 17, 19, 20, 21, 30, 34, 40, 43, 45, 46, 47, 48, 50, 52, 63 (24 properties)
	Players Avenue	15, 17, 21, 23, 29, 31 (6 properties)
Phase 2 - Fabric Only	Danygraig Road	23, 29, 31, 33 (4 properties)
	Heol Graigfelen	70, 74, 76, 78, 80, 84, 86, 90, 94, 98, 100, 110, 122, 124 (14 properties)
	Heol Valentine:	2, 4, 5, 7, 9, 11 (6 properties)
	Players Avenue	7, 8, 10, 18, 30, 32, 36, 37, 39, 42, 44 (11 properties)
<b>Gwernfadog and Llanlienwen</b>		
Phase 1 - Fabric, PV & Battery	Glyncollen Crescent	1, 3, 4, 8, 13, 14, 18, 20, 21, 23, 30, 33, 37, 41, 43, 45, 47, 49, 51, 54, 76, 80 (22 properties)

	Gwernfadog Road 38, 46, 56, 66, 68, 70, 76 (7 properties) Llanllienwen Road 87, 93, 103, 105 (4 properties)
Phase 2 - Fabric Only	Glyncollen Crescent 55, 57, 75, 81, 84, 87, 94, 102, 106, 112 (10 properties) Gwernfadog Road 2, 5, 10, 11, 13, 14, 16, 19, 20, 22, 23, 24, 30, 33, 35, 36, 41, 43, 45, 47 (20 properties) Llanllienwen Road 21, 47, 49, 51 (4 properties)
<b>Sketty</b>	
Phase 1 - Fabric, PV & Battery	Baytree Avenue: 41, 42, 44, 45, 47, 48, 49, (7 properties) Briar Dene: 15, 23, 25, 29, 35, 37, 39, 41, 43, 45, 47, 51, 53, 55, 59, 61, 65, 67 (18 properties) Mayflower Close: 1, 3, 6, 7, 11 (5 properties) Parkway: 26, 28 (2 properties) Sketty Park Drive: 122, 126, (2 properties)
Phase 2 - Fabric Only	Baytree Avenue: 27, 31, 32, 34, 36, 38 (6 properties) Briar Dene: 18, 26, 28 (3 properties) Heather Crescent: 79, 81, 87, 89, 91, 93, 95, 97, 99, 101, 103, 107, 109, 111, 113, (15 properties)
Phase 3 - Fabric Only	Heather Crescent: 62, 68, 74, 82 (4 properties) Jasmine Close: 3, 4, 7, 11, 14 (5 properties) Laburnam Place: 42, 54, 58 (3 properties) Parkway: 82 (1 property) Whitethorn Place: 1, 3, 5, 17, 19, 23, 33, 38, 42, 44, 46, 48, 50, 52, 54, 56, 58, 60, 62, 66, 68, 70, 72 (26 properties)
Phase 4 - Fabric Only	Furzeland Drive: 6, 8 (2 properties) Heather Crescent: 35, 37, 41, 43, 45, 47, 49, 51, 53, 55, 57, 59, 61, 63, 65 (15 properties) Laurel Place: 13, 15, 16 (3 properties) Maes Y Gollen: 17, 19, 23, 27, 37, 39, 41, 43 (8 properties)
<b>Boarspit, West Cross</b>	
Phase 1 - Fabric, PV & Battery	Bettsland: 11, 12, 17, 18, 22, 23, 24, 28, 29 (9 properties) Broad Parks: 1, 2, 6, 8, 9, 11, 12, 14, 22 (9 properties)



	<p>Cartersford Place: 23, 24 (2 properties)</p> <p>Chestnut Avenue: 164, 166, 168, 170, 172, 174, 176, 178 (8 properties)</p> <p>Northeron 2, 6, 8, 16, 18, 22, 28, 32, 34, 36, 40, 42 (12 properties)</p>
Phase 2 - Fabric Only	<p>Chestnut Avenue: 80, 84, 88, 90, 92, 100, 108, 120, 122, 124, 126, 128, 130, 132, 138, 140, 148, 150, 154, 162 (20 properties)</p> <p>Gonhill: 2, 6, 7, 8, 10, 11, 14, 15, 16, 18, 19, 22, 23, 24, 29 (15 properties)</p> <p>Northeron 5, 7, 15, 17, 19, 21 (6 properties)</p>
Phase 3 - Fabric Only	<p>Cartersford Place: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21 (20 properties)</p> <p>Chestnut Avenue: 62, 64, 66, 68, 70, 72, 74, 76, (8 properties)</p> <p>White Gro: 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 14, 19, 22, 23, 25, 26, 31 (21 properties)</p> <p>Yalton 4, 6, (2 properties)</p>
Phase 4 - Fabric Only	<p>Alderway: 63, 65, 67, 72, 74, 76, 77, 78, 80, 82, (10 properties)</p> <p>Chestnut Avenue 28, 30, 33, 34, 36, 38, 40, 42, 45, 46, 60 (11 properties)</p> <p>Cross Acre 3, 4, 5, 7, 8, 9, 10, 15, 17, 19, 20, 21, 22, 23, 24, 26, 28, 30, 31, 32, 34, 36, 38, 40, 42, 44, 46 (28 properties)</p>

### 13nr. Schemes – All Solar PV Panels and Batteries Omitted

Schemes where PV and batteries included in earlier 4 year programmes now omitted

Scheme	Nr. Props	Revised Programme Status
Birchgrove	101	PV/Battery omitted, fabric upgrade 2024/25
William Morris Gardens	14	PV/Battery omitted, fabric upgrade deferred
Gorseinon	44	PV/Battery omitted, fabric upgrade deferred
Gowerton	13	PV/Battery omitted, fabric upgrade deferred
Loughor	91	PV/Battery omitted, fabric upgrade deferred
Pontardulais	30	PV/Battery omitted, fabric upgrade deferred
Clydach (Tyle Teg)	43	PV/Battery omitted, fabric upgrade deferred
Trewyddfa Common	16	PV/Battery omitted, fabric upgrade deferred
Penlan and Gendros	92	PV/Battery omitted, fabric upgrade deferred
Three Crosses	20	PV/Battery omitted, fabric upgrade deferred
Cwm Road	21	PV/Battery omitted, fabric upgrade deferred
Brondeg	56	PV/Battery omitted, fabric upgrade deferred

Townhill	135	PV/Battery omitted, fabric upgrade 2024/25
Tudno & Emrys*	30	PV/Battery omitted, fabric upgrade 2025/26
<b>Total</b>	<b>614</b>	

\*Tudno & Emrys has a total of 195nr. properties, only 30nr. allocated PV& Battery funding as part of previous 4 year programme

## Deferred Schemes

Fabric upgrade schemes deferred, to be re-scheduled beyond the current four-year programme:

<b>Scheme</b>	
<b>Rescheduling Schemes</b>	
Wind & Weatherproofing, St Thomas Flats	Planned for 2027 – now deferred, year TBC
Wind & Weatherproofing, William Morris Gdns	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Gorseinon	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Gowerton	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Loughor	Planned for 2025 – now deferred, year TBC
Wind & Weatherproofing, Pontardulais	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Clydach Tyle Teg	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Trewyddfa Common	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Uplands	Planned for 2027 – now deferred, year TBC
Wind & Weatherproofing, Penclawdd	Planned for 2027 – now deferred, year TBC
Wind & Weatherproofing, Three Crosses	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Cwm Road	Planned for 2026 – now deferred, year TBC
Wind & Weatherproofing, Brondeg	Planned for 2024 – now deferred to 2027

## Integrated Impact Assessment Screening Form

### Screening

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

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

Service Area: Housing and Public Health  
 Directorate: Place

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

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

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

The joint report between both the Housing and Finance Service to Council sets out the revised Housing Revenue Account (HRA) capital expenditure and financing proposals in 2023/24, and the HRA Capital expenditure and financing proposals in 2024/25 to 2027/28. The investment will be allocated to long standing repair and maintenance programmes to the existing council housing stock to ensure it remains operational and meets requirements for social housing such as the Welsh Housing Quality Standard. The report also sets out programmes to increase council house provision through new build and acquisition.

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

	High Impact	Medium Impact	Low Impact	Needs further Investigation
No Impact	+ -	+ -	+ -	

Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Race (including refugees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						
Human Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>						

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

Consultation will be carried out to all householders affected by the schemes proposed in the report via the Council's Major Works Agreement, and any individual needs will be accounted for as part of the scheme. Statutory Consultation via the Planning Process will be carried out for any schemes requiring planning consent.

The Housing Service has ongoing working practices with other service areas within the Council and will be working closely with these to develop, design and deliver the capital investment programme over the next 4 years.

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

a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?

Yes  No

b) Does the initiative consider maximising contribution to each of the seven national well-being goals?

Yes  No

c) Does the initiative apply each of the five ways of working?

Yes  No

d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?

Yes  No

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

High risk

Medium risk

Low risk

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

Yes

No

**If yes, please provide details below**

The programming, preparation, design and delivery of major repairs and improvements to the existing housing stock and the acquisition and the creation of new build properties will have an impact on the following Council services: Building Services, Procurement, Legal, Finance, Highways and Drainage, Economic Development, Corporate Property, Building Control, Social Services and Planning will all be involved in the schemes.

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

Yes

No

**If yes, please provide details below**

The Council website holds public information on both refurbishment and new build projects. Public information is available on refurbishment schemes and compliance levels, in particular how many of the Council's housing houses meet the Welsh Housing Quality Standard. The website will require updates on compliance levels for the existing stock and updates on the delivery of new developments.

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

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

**Outcome of Screening**

**Outcome of Screening**

Financial availability and the need to balance core priorities i.e. maintaining homes as well as creating more accommodation to tackle homelessness has resulted in deferring some improvement schemes to the existing housing stock. More than £160m will be invested into existing Council homes and the acquisition and creation of new housing as set out in the report to Council will result in improved social housing standards for residents in Swansea. This will be achieved by increasing thermal efficiency to ensure homes are healthy, providing renewable technologies to individual homes to reduce carbon emission, and make homes cheaper to run (and protecting tenants from ongoing pressures of fuel costs). The programmes are supported by the Beyond Bricks and Mortar Team with many contracts providing training and employment opportunities to those who are long term unemployed or hard to reach. The Beyond Bricks and Mortar team work with agencies who target those who may otherwise experience economic inactivity. Overall the programme will secure social housing provision for future generations.

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

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

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

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

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

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

An IIA Screening Form has been completed and a full IIA report is not required. Reaching and maintaining the Welsh Housing Quality Standard for the Council’s housing and building and acquiring additional properties for the purposes of increasing the supply of social housing in Swansea is an example of the 5 Ways of Working promoted by the Wellbeing of Future Generations (Wales) Act 2015 and will contribute towards the 7 well-being goals. The planned programme of repairs and More Homes activities set out in this report is about securing sufficient social housing for the long term and will benefit future generations. Reaching and maintaining the standard and increasing the supply has reduced carbon emissions, increased efficiency and supported employment and the local economy. Future investment will be subject to consultation with those individuals affected via the Council’s Major Works Agreement and all schemes needing planning consent will be subject to normal planning procedures and the council’s IIA process. Any individual requirement will be taken into account during the scheme liaison process.

Repairing and maintaining existing council housing will secure social housing for the long term, making them healthier and more efficient places to live. New build social housing will stimulate local economic growth, addressing issues such as poverty, inequality, jobs and skills which directly contributes to the council’s obligations to act in a sustainable way pursuant to the WFGA.

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

Full IIA to be completed

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

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

<b>Screening completed by:</b>
<b>Name: David Bratley</b>
<b>Job title: Housing Asset Manager</b>
<b>Date: 12/01/2024</b>
<b>Approval by Head of Service:</b>
<b>Name: Carol Morgan</b>
<b>Position: Head of Housing and Public Protection</b>
<b>Date: 30/01/2024</b>

# Agenda Item 13.



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

Cabinet – 15 February 2024

### Revenue and Capital Budget Monitoring 3rd Quarter 2023/24

<b>Purpose:</b>	To report on financial monitoring of the 2023/24 revenue and capital budgets, including the delivery of budget savings.
<b>Policy Framework:</b>	Budget 2023/24. Transformation and Future Council
<b>Consultation:</b>	Cabinet Members, Corporate Management Team, Legal Services and Access to Services.
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Notes the comments and variations, including the continued material uncertainties around the equal pay provision, set out in the report and the actions in hand to seek to address these.  2) Approves the updated 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) Reinforces the need for all Directors to continue to minimise service spending in year, providing clear recovery plans where they are overspending, recognising that the budget overall is currently balanced only by relying on future (but far from wholly assured) reimbursement from Welsh Government, centrally held contingency budgets and increasingly more than ideal levels of earmarked reserves.  4) Recognises that directorate cost overspends must be absolutely minimised, through recovery plans in current year by targeted recovery action with a clear expectation of 'tough' rebasing choices to achieve a balanced budget for the 2024/25 budget round.  5) Note the indicative overspend in 6.1 with further actions to be confirmed at outturn once it is clearer as to the likely final cost of the equal pay award provision.
<b>Report Author:</b>	Ben Smith
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar



## **1. 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 delayed Quarter 1 reporting by one monthly cycle but the system is working sufficiently well enough to give assurance to the S.151 Officer that the finance and performance reporting process is working in line with previous expectations and timescales in year. The remaining issues are considered not fundamental to the core budget monitoring and reporting on the financial position in year but those issues are of growing and of greater concern as to impeding accuracy as we get to new system first year end closure.
- 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. Any ongoing overspend in current year will have potential base consequences for next year.

## **2. Revenue Outturn Forecast Based on 3rd 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	-87
FINANCE	-1,125
SOCIAL SERVICES	1,368
EDUCATION	-1,900
PLACE	3,251
<b>NET SERVICE EXPENDITURE</b>	<b>1,507</b>

- 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 £1.507 million.
- 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 include the final local government pay offer which was implemented in November. The pay offer from the Employers remained a flat rate £1,925, which was fully budgeted for. 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,
  - strict 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**,
  - 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,

- to agree credible recovery plans where there is current overspending and for these to be shared and agreed with the Chief Executive and S.151 Officer for assurance purposes,
- whilst recognising that the overall spend pressures are near wholly post-Covid, inflation or pay award and now pay risk related and that reserves were bolstered to temporarily assist with some such pressures.

2.10 Offsetting opportunities do exist to temporarily ameliorate some of 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 part of the new equal pay provision.
- 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:

<b>Contingency Fund 2023/24</b>	<b>2023/24 (£m)</b>
Budgeted contribution for year.	6.118
Funding Agreed deferred specific savings as per Council decision 2 <sup>nd</sup> 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	-0.825
Defibrillators – additional roll out	-0.075
EMS vehicle costs	-0.005
Car Parks extended offer on pricing tariffs	-0.850
Contribution to one-off Insurance shortfall	-0.013
Part contribution for new Equal Pay Provision	-2.574
<b>Balance 31st March 2024</b>	<b>0.0</b>

The above table lists current potential calls on the budgeted Contingency Fund. All 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, including equal pay risks.

As at 1<sup>st</sup> April 2023 the balance of the Restructure Reserve was £2.8m, however on 20<sup>th</sup> 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 £2.574m to provide additional mitigation, together with the forecast unused element of the inflation provision of £3.649m (some £6.223m in total) toward the potential equal pay risk provision.

**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:

<b>Inflation Provision 2023/24</b>	<b>2023/24 (£m)</b>
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 (Including Street Lighting)	-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
<b>Balance 31st March 2024</b>	<b>3.649</b>

## 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, £17.2m or some 79% 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 £1.507m shortfall in service revenue budgets. This is as a result of pressures mainly in the care sector, home to school transport and waste management.

### Summary

	£'m
Service Forecast overspend	1.507
Estimated equal pay provision	15.000
<b>Less Mitigating</b>	
Inflation provision earmarked for estimated equal pay provision	-3.649
Contingency Fund earmarked for estimated equal pay provision	-2.574
Capital financing underspend exceptionally not added to Capital Equalisation Reserve	-7.000
<b>Net overspend forecast, currently met by additional draws from reserves</b>	<b>3.284</b>

- a. Corporate Management Team have reinforced the expectation that both service and overall net expenditure **must** be, 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 £7m minimum underspend on capital finance charges and any underspending here will

now be required to help fund the equal pay provision and thus will **exceptionally not** be available to add to the Capital equalisation Reserve this year. This will be reviewed and updated during the year as emerging capital demands and equally slippage arise. 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 and for future years, including increases to the National Living Wage which will significantly impact contractors to the Council in some service areas next year. It will also put further pressure on the lower end of the current local government pay spine in future years. There is finally resolution to the 2023/24 national local government/teachers' pay awards, but attention will already be turning to next year's pay negotiations which will continue to be dominated by affordability issues on one hand with persisting, albeit likely falling, inflation and the impact of the rise in the Real Living Wage.
- 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.

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 are needing to be funded during 2023/24. The S.151 Officer proposed to meet these costs from reserves already established and already carried forward. A separate project update report was considered at Cabinet in October 2023.

## 7. Capital Budget

7.1 Expenditure to 31<sup>st</sup> December 2023 is £80.347 million, summarised as follows:

Directorate	Budget 2023/24	Actual to 31/12/23	% Spend
	£'000	£'000	
Corporate Services	3,673	298	8.1%
Finance (contingency)	985	0	0.0%
Education	10,048	2,948	29.3%
Social Services	1,767	611	34.6%
Place (General Fund)	130,563	52,410	40.1%
Place (HRA)	47,728	24,080	50.5%
<b>Total</b>	<b>194,764</b>	<b>80,347</b>	<b>41.3%</b>

Third quarter expenditure figures remain low; however, this is expected to pick up for the remainder of the financial year. The general impact of inflation remains pervasive across the wider economy and continues to have an impact on all capital projects. This is under constant review with any increases in cost greater than 5% requiring formal approval.

The 2023/24 budget figures have been subject to a reprofiling exercise which is reflected in the figures above.

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.
- 8.2 Revenue repairs spend has been monitored and it is forecast that there will be a planned overspend of £1.9m for day-to-day repairs as a result of higher than anticipated building inflation and dealing with the backlog of repairs due to Covid. In addition, repairs to void properties is forecast to overspend by £2m as additional resources in the form of a new contractors has been sourced. Again, this has been done in a planned way in an attempt to reduce the number of void properties and increase the numbers of properties available to let in response to high demand for housing. A further overspend of £760k is forecast for electrical repairs mainly due to the decreased period for electrical testing which was introduced in the Renting Homes legislation. The above overspends have been partly offset by forecast underspends on Gas Servicing, Repairs Prior to Painting and Grounds Maintenance.
- 8.3 The above anticipated overspends will be offset by a reduction in the Revenue Contribution to Capital (RCCO) transfer of £12.0m and a reduction in borrowing costs of £0.636m as a result of slippage in the Capital Programme together with an underspend on employee costs of £0.37m due to higher than anticipated vacancies.
- 8.4 Rent arrears have been closely monitored and are anticipated to increase by the end of the financial year due to the impacts of the cost-of-living crisis and energy bill increases. However, these increases have been budgeted for and the current level of Bad Debt Provision is anticipated to be sufficient.

## **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 3 2023/24

<b><u>DIRECTORATE</u></b>	<b>BUDGET 2023/24 £000</b>	<b>PROJECTED 2023/24 £000</b>	<b>VARIATION 2023/24 £000</b>
CORPORATE SERVICES	21,884	21,797	-87
FINANCE	33,738	32,613	-1,125
SOCIAL SERVICES	160,393	161,761	1,368
EDUCATION	222,052	220,152	-1,900
PLACE	79,047	82,298	3,251
<b><i>NET DIRECTORATE EXPENDITURE</i></b>	<b>517,114</b>	<b>518,621</b>	<b>1,507</b>
SPECIFIC PROVISION FOR APPRENTICESHIP LEVY/INFLATION	6,751	3,102	-3,649
CONTINGENCY FUND	4,764	2,190	-2,574
<i>Estimated Equal Pay Provision</i>	0	15,000	15,000
<b><i>OTHER ITEMS</i></b>			
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
<b><i>CAPITAL FINANCING CHARGES</i></b>			
PRINCIPAL REPAYMENTS	15,574	15,574	0
NET INTEREST CHARGES	23,360	16,360	-7,000
<b><i>NET REVENUE EXPENDITURE</i></b>	<b>584,986</b>	<b>588,270</b>	<b>3,284</b>
<b><i>MOVEMENT IN RESERVES</i></b>			
GENERAL RESERVES	0	0	0
EARMARKED RESERVES	-25,452	-28,736	-3,284
<b><i>TOTAL BUDGET REQUIREMENT</i></b>	<b>559,534</b>	<b>559,534</b>	<b>0</b>
DISCRETIONARY RATE RELIEF	418	418	0
<b><i>TOTAL CITY AND COUNTY OF SWANSEA REQUIREMENT</i></b>	<b>559,952</b>	<b>559,952</b>	<b>0</b>
COMMUNITY COUNCIL PRECEPTS	1,829	1,829	0
<b><i>TOTAL REQUIREMENT</i></b>	<b>561,781</b>	<b>561,781</b>	<b>0</b>
<b><i>FINANCING OF TOTAL REQUIREMENT</i></b>			
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
<b><i>TOTAL FINANCING</i></b>	<b>561,781</b>	<b>561,781</b>	<b>0</b>

## Director's comments on budget variances

### Director of Corporate Services

The budget position in the third quarter reports that the Corporate Services directorate is forecasting an underspend of £87,000 by the year end.

Variance (under -)/over spend	£000	Explanation and Action
Director of Corporate Services	0	Underspend as a result of efficiency measures within the directorate, which will be used to help offset the forecast overspend in HR&OD.
Communications and Marketing	-140	Net employee and Supplies and Services underspend across the services
Digital and Customer Services	0	Various compensating under/over spends relating to staff costs, contracts and licenses, but overall forecasting break even by year end.
Human Resources and Organisational Development	93	Overspend forecast due to unfunded card transaction fee costs and income and SLA shortfall. Underspend in directorate used to partially offset.
Legal and Democratic Services	-40	Various compensating under/over spends relating to staff costs and external legal fees.
<b>Total Forecast Variation</b>	<b>-87</b>	

### Director of Finance

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

Variance (under -)/over spend	£000	Explanation and Action
Council Tax Reduction Scheme (CTRS)	-387	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	-738	Underspending across a range of employee and supplies and services costs.
<b>Total Forecast Variation</b>	<b>-1,125</b>	

**Director of Social Services**

Variance (under -)/ overspend	£000	Explanation and Action
Adult Services, Prevention and Tackling Poverty	637	<p>There are £2.2m of pressures in respect of support for those with Mental Health and Learning Disabilities, with £1.1m of this attributable to the cost of external residential care.</p> <p>A overspend of £909k is forecast in respect of Direct Payment costs.</p> <p>These pressures are offset by an income and vacancy driven underspend of £1.5m within our Direct Service Provision</p>
Child & Family Services	-1,314	We have significant overspends forecast in respect of both commissioned and in house residential care. These have been offset by staffing underspends driven by a combination of vacancies and grant income.
Grants, Commissioning & Partnerships	-404	Underspends forecast in this area are attributable to staffing and grant income.
Integrated Services for Older People	2,379	<p>We are forecasting overspends in respect of the Domiciliary Care and Residential Care that we commission. The largest overspend is £1.3m in respect of Domiciliary Care, where activity levels have continued to increase throughout the year. An overspend of £310k is forecast for Older People's Residential Care. This is due to a combination of increased activity levels and a reduction in deferred income.</p> <p>The above overspends are partially offset by forecast underspends our own staffing establishment.</p>
Resources Hub	70	This overspend relates to staffing costs.
<b>Total Social Services</b>	<b>1,368</b>	

## Director's Comments

We are currently forecasting an overall overspend of £1.4m for the Directorate. The largest area of overspend remains our Externally Commissioned Care, where the quarter has seen a notable growth in the number of placements and care packages we support. We have also noted a downturn in client income. This has been most significant in respect of deferred income for residential care where income for the third quarter was less than half that received in the first.

Whilst the current 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.

I have shared my recovery plan with the relevant Cabinet Members, the Chief Executive and the Director of Finance who are assured the Directorate are taking all necessary and reasonable steps to conserve spend and maximise partner contributions. We have also used our reserves to support the in year financial position. The use of reserves has been targeted at areas where one off pressures have been encountered to balance the need to live within our budget whilst ensuring prioritised care needs are met.

### Director of Education

Variance (under -)/ overspend	£000	Explanation and Action
Vulnerable Learner Service	900	<p>£200k of this overspend relates to Maes Derw/PRU. This is due to overspends on staff/agency and transport along with an unachievable savings target. The position has improved since the last quarter due to the receipt of an unexpected grant.</p> <p>There is also a projected overspend of £160k relating to transport costs for independent placements and up to £100k overspend on Education Psychology.</p> <p>These are partially offset for the service area by forecast underspends due to in-year grants offsetting core budget.</p>
Education Planning and Resources	-5,100	<p>This is from a forecast underspend on primary and secondary school maternity and pension payments due to changes in legislation and practice, and also increased income for the School Meals Service following a recent uplift in the grant rate for Universal Free School Meals that has been backdated to April 2023 (£1m) .</p>

Achievement and Partnership Service	-150	Underspends forecast in this area are largely attributable to staffing and some supplies and services.
School Transport	2,450	We are forecasting overspends again in respect of School Transport. This is primary and secondary mainstream, special schools, and also additional learning needs (ALN). £1m has been funded from the central inflation provision to offset increasing costs, otherwise this overspend would be in the region of £3.5m.
<b>Total Education</b>	<b>-1,900</b>	

### Director's Comments

The Education Directorate forecasts an overall underspend of £1.9m due to careful planning, one off savings, unexpected grant and utilising grants in year to offset core costs.

School Transport is predicted to overspend by £2.5m, due to increases in fuel and contract prices. Indexation was finalised and agreed at 4.95%, which was higher than expected and why the position has worsened since the last quarter. There has also been a steady increase in demand, particularly for learners with additional needs. There are also savings targets for walking routes which are taking longer to implement and be achieved.

The Vulnerable Learning Service and Pupil Referral Unit (PRU) is also predicting an overspend of £900k. This is due to the use of agency staff and transport of pupils. This is being monitored and where appropriate changes made, for example, grants being used to offset core budget and the appointment of staff on temporary contracts instead of agency staff. The Education Psychology Service is overspent due to necessary supply/locum costs. However, again due to the use of a grant, the position has improved since the last quarter.

There are several significant underspends currently forecast which has enabled the Directorate to offset the overspends outlined above and achieve an underspend by saving core budget. We have been actively controlling costs and maximising income from grants and will continue to use grant funding to offset core costs where this is allowable. Currently, maternity and pensions paid to primary and secondary school staff has been less than previous years due to changes in national policy on shared parental leave and pay. This has been recognised in reductions in the MTFP.

While the overall position has improved significantly since last quarter, this is due to unexpected additional one-off grants, including a revised rate for universal free school meals that has been backdated to April 2023. This has covered the pressure that was included in the budget planning for this year and along with other underspends including salary costs not as high as expected and lower food costs, has improved the budget to approximately £1m.

## Director of Place

Variance (under -)/over spend	£000	Explanation and Action
Culture, Tourism, Sport & Leisure	0	Break even predicted.
Housing and Public Protection	1,368	Due primarily to spend and income pressures in Public Health including Cemeteries & Cremations. Mitigating measures elsewhere will improve year end position but this figure does not include Homelessness pressures which, if not funded by WG grant, will mean use of reserve is needed to offset.
Economic Regeneration and Planning	640	Due primarily to lower Planning fee income and Swansea Market overspend. Some mitigation before year end but not in full.
Highways and Transportation	-558	Overachieved income and employee underspends offsetting operational pressures.
Waste Management, Parks and Neighbourhood Working	3,026	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	-1,225	NNDR reimbursement (£1,100k) and additional rental income (£125k).
<b>Total Forecast Variation</b>	<b>3,251</b>	

### Director's Comments

The Directorate is currently projecting a £3.251m overspend for the current year. This overspend is after a £5.674m 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 quarter will be to implement the budget recovery plan 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 at a time where budget pressures and operational costs are rising. This will continue to be monitored closely but, because of the prevailing economic conditions, is unlikely to return to pre-pandemic levels in the short to medium term meaning further efficiencies will continue to be required. Car park income is a significant unknown and remains supported in year by the

Economic Recovery Fund. In addition, inflationary pressures continue to be experienced across all areas of the Directorate.

Budget pressures around homelessness are a significant ongoing concern. Temporary accommodation costs were largely met by WG grant during the pandemic. This subsidy is now reducing. Alternative temporary accommodation strategies are being developed but demand for housing remains at unprecedented levels and numbers of homeless presentations continue to rise. One off use of homelessness reserve may be needed to balance in year position. This will then restrict development of future cost mitigation measures.

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	13	98	100	2,384	2,823
Finance (Including Council Tax Reduction Scheme)	0	0	320	1,460	530	2,310
Social Services (Including Poverty & Prevention)	0	650	0	2,900	2,550	6,100
Education	0	341	0	980	650	1,971
Place	733	340	974	2,743	3,915	8,705
<b>Total</b>	<b>961</b>	<b>1,344</b>	<b>1,392</b>	<b>8,183</b>	<b>10,029</b>	<b>21,909</b>
	Savings DELIVERY 2023/24 £'000					Total DELIVERY 2023/24 £'000
	Black	Red	Amber	Green	Blue	
Corporate Services	0	0	50	100	2,358	2,508
Finance (Including Council Tax Reduction Scheme)	0	0	305	1,460	530	2,295
Social Services (Including Poverty & Prevention)	0	0	0	2,750	2,550	5,300
Education	0	0	0	980	650	1,630
Place	0	0	275	1,292	3,915	5,482
<b>Total</b>	<b>0</b>	<b>0</b>	<b>630</b>	<b>6,582</b>	<b>10,003</b>	<b>17,215</b>
Overall Percentage Achieved	0%	0%	45%	80%	100%	79%

**Appendix D**

<b>Capital expenditure on major schemes to 31 December 2023 (where spend greater than £250k)</b>	<b>£000's</b>
<b>Education</b>	
3G Pitch Olchfa Comprehensive	1,228
Free School Meals Scheme - Infrastructure / Equipment	906
<b>Social Services</b>	
Residential Care Settings	332
<b>Place</b>	
City Deal - 71-72 Kingsway Offices	15,895
City Deal - Arena	999
Hafod Copperworks Powerhouse Redevelopment	392
LUF - Lower Swansea Valley	1,668
Palace Theatre Redevelopment	3,720
Acquisition of Black Boy Public House	389
Cefn Hengoed Community Hub	2,510
Corporate Building Services (Including Schools)	6,051
Disability Facility Grants	3,519
Mini Adaptation Grants	410
Highways Carriageway Resurfacing	3,858
Highways Footways	519
Highways Drainage Works	664
Highways & Transport Vehicle Replacement	400
Seawall Repairs Mumbles	5,020
Landfill Gas Engine Replacement	329
Playground Works	763
Parks Machinery Replacement	273
St Helens Road Upgrade	290
ERF 3 <sup>rd</sup> Party Schemes	476
Redevelopment of former BHS Building (Y Storfa)	1,579

<b>Capital expenditure on major schemes to 31 December 2023 (where spend greater than £250k)</b>	<b>£000's</b>
<b>HRA</b>	
HRA Capital Programme (More Homes Schemes)	5,132
Wind and Weatherproofing	6,681
External Facilities	3,642
Adaptations	2,058
Electric Rewiring	607
Chimney Repairs	554
Fire and Other Safety Measures	1,406
Boiler and Heating Upgrades	606
HRA Kitchens & Bathrooms	2,668

Total value where spend is greater than £250k

75,544

# Agenda Item 14.



## Report of the Cabinet Member for Care Services

Cabinet - 15 February 2024

### Annual Review of Charges (Social Services) 2023/24

<b>Purpose:</b>	This report is the latest annual review of social services charges, improvements undertaken in year and a proposed list of charges to apply in 2024/25
<b>Policy Framework:</b>	Part 5 of the Social Services & Wellbeing Act 2014 Swansea Council's Charging (Social Services) Policy
<b>Consultation:</b>	Cabinet Members, CMT, Legal, Access to Services, Social Services Finance & Charging group
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Notes the findings of the annual review of charges report.  2) Approves an inflationary increase of 6% to be applied to all social services charges to come into effect on 1st April 2024.  3) Approves the list of social services charges to apply from 1st April 2024, for the year 2024/25.  4) Grant permission to Adult Services for further work to be undertaken in 2024/25 on additional lifeline charging, to covering installation and replacement costs.  5) The revised List of social services charges 2024/25 (Appendix 1), once agreed, is appended to the Council's Charging (Social Services) policy.
<b>Report Author(s):</b>	David Howes / Simon Jones
<b>Finance Officer:</b>	Chris Davies
<b>Legal Officer:</b>	Carolyn Isaac
<b>Access to Services Officer:</b>	Rhian Millar

## **1. Background**

- 1.1 Swansea Council's Charging (social services) policy sets out the arrangements for charging citizens for costs incurred when providing care and support services. The List of Charges, appended to the policy, details what services are chargeable and the level of charge for the year ahead.
- 1.2 Swansea's Charging policy aims to ensure that charging, where it occurs, is consistent fair, transparent and applied equally; that the charges are set out and published in a way that can be clearly understood. The policy also ensures individuals who are asked to pay a charge will only be required to pay what they can afford; this is ensured through the offer of a financial assessment.
- 1.3 Social Services and Well-being (Wales) Act 2014 (The Act) came into effect in April 2016, setting out the statutory requirements placed on each Local Authority, to publish their discretionary charges for social services.
- 1.4 In working a sustainable approach to social care, Welsh Local Authorities have some discretion in how charges for residential and non- residential and community-based social services can be applied. Under the Social Services and Well-being (Wales) Act 2014, a local authority can only charge:
  - up to the cost of providing the service.
  - what the person can afford to pay for an assessed for service

## **2. Annual Review of Charges**

- 2.1 Swansea Council's seventh annual review of charges is a reflection on how current charges are working, taking into account the following:
  - Statutory considerations- any changes to national policy
  - How Current charging policy is working in practice
  - Improvements made this year and changes planned
  - Opportunities for any new charges
  - What people are telling us
  - How Swansea's list of charges compares to other Welsh Local Authorities
  - Integrated Impact assessment
- 2.2 The attached report in Appendix 'A' provides the detail on the annual review of charging in social services. It shows the methodology used, summarises the findings, in proposing a revised List of Charges to apply in 2024/25, alongside the integrated impact assessment.

- 2.3 The full report considers the impact of the cost-of-living crisis, projected social care inflation, and most importantly the impact on citizens, carers, and families.
- 2.4 Set alongside this impact is the context of increasing demand for social care and support, rising costs associated with social care (wages, energy, fuel/ transport, food and supplies) affecting the workforce and supply chain, all of which are impacting on the levels of income generated in the period. This report also provides Cabinet with an opportunity to consider the annual review, the charging policy, and to agree on the list of charges for social services to apply in 2024/25.

### 3. General Issues

#### 3.1 Policy changes.

There are no significant changes proposed to Swansea Council's Charging (social services) policy, though the policy has been reviewed and revised so that the content and links remain up to date. At the time of reporting, no changes to the national charging framework or guidance have been announced by Welsh Government.

#### 3.2 Economic.

The total amount of income generated (approx. £17m) from charges for adult social care is significant, and this helps to achieve a sustainable service model. Overall, the main report shows that the total amount of income generated in year is starting to return to the pre-pandemic levels. The social care market, as all households and businesses, have all been seriously impacted by UK high inflation and interest rates impacting service costs, as well as the need to meet requirements for a real living wage.

#### 3.3 Social.

The cost-of-living crisis will be having a disproportionate impact on those people in receipt of social care their carers and families. We have to consider how poverty can impact on the wellbeing and care and support needs of the most vulnerable citizens. Swansea Council implements a fair and compassionate approach to debt recovery, when working with individuals and families who are in arrears through charges.

#### 3.4 New Charges (In Year).

As part of a comprehensive service review, the proposal is that Adult Services to undertaken consultation and an Integrated Impact Assessment in 2024/25 on the following new charges for Community Alarms (Lifeline):

- **One-off charge** for installation of new alarms for new customers

- **Replacement** charging - changes in Terms & Conditions of service to apply a charge for any replacement pendants as a result of damage or loss by the customer.

As part of the service review, a separate Integrated Impact Assessment will be undertaken, and if consultation on these proposals is approved by Cabinet, Adult Services are to report on the outcome separately.

- 3.5 Overall Swansea's charging policy falls in line with Welsh Government policy, and the approach taken by other Welsh Local Authorities.

#### **4. Financial Issues**

- 4.1 Swansea's Charging (social services) policy applies the corporate principle of full cost recovery. In reality, charges can only recover some or all of the costs of services from citizens, as there is a national framework of caps and thresholds set. Any decision to, or not to, charge for services, or to subsidise the costs of services should be based on detailed cost and demand analysis, encouraging fair access, and this annual review helps to support this process.

- 4.2 Income generation can reduce the costs of services to Council taxpayers or to provide care and support to more people in need. Overall, this work contributes towards Swansea Council's Corporate Plan strategic objective to safeguard our most vulnerable citizens.

- 4.3 Finance Officers have been fully involved in the work of the Social Services Finance & Charging group and the review process. The proposals set out by the review report support the Council's Medium Term Financial Plan objectives and assumes that any additional general fund income generated through the changes to charges proposed within this report will help to meet additional cost pressures within the service.

- 4.4 There are no additional financial implications.

#### **5. Legal Issues**

- 5.1 The legal framework for setting charges for social services is set out in Appendix A, the review report.

- 5.2 A local authority must publish information about its charging arrangements and general fee levels for statutory and discretionary care and support services.

- 5.3 Local authorities are empowered (but not obliged) to charge for the care and support they provide or arrange to be provided to meet a person's needs. The charge can only relate to the cost that the local authority incurs in meeting the needs to which the charge applies.

- 5.4 The charge imposed must be no more than is 'reasonably practicable for the person to pay'. The Care and Support (Charging) (Wales) Regulations 2015 and Part 4 and 5 Code of Practice (Charging and Financial Assessment) set out the provisions relevant to charging and financial assessment.
- 5.5 The regulations stipulate that the maximum charge for non-residential care and support is currently £100.00 per week. The capital limit for the purposes of residential care is presently £50,000 and the capital limit for the purposes of non-residential care charges is £24,000. These limits may change for the next financial year as the Welsh Government sets the level of the maximum charge and capital limit each year.
- 5.6 The Care and Support (Financial Assessment) (Wales) Regulations 2015 makes provision about the way in which a local authority must carry out a reasonable financial assessment of a person's financial resources.
- 5.7 There are no additional legal implications.

## **6. Integrated Assessment Implications**

- 6.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage.
  - Consider opportunities for people to use the Welsh language.
  - Treat the Welsh language no less favourably than English. Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 6.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 6.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.



- 6.4 There are no changes proposed to the Council's Charging (social services) policy at this time.
- 6.5 An IIA screening has been undertaken (see Appendix 3). The initial impacts have been identified as low, as they are mitigated by the Welsh Government's limits to maximum weekly charges and stipulated income and capital thresholds.

**Background papers:** None

**Appendices:**

Appendix A– Annual Review of Charges (Social Services) 2023/24

Appendix 1 (to main report) – List of Charges to apply in 2024/25

Appendix 2 (to main report) – Comparison with other Welsh Local Authorities

Appendix 3 (to main report) – Integrated Impact Assessment Screening



## Annual Review of Swansea Council's Charging Policy (Social Services)

2023/24

Summary report on work carried out on behalf of the Council,  
by the Social Services Finance and Charging Policy Working Group

December 2023 v5

### 1. Introduction

1.1 **Annual Review report-** sets out the finding and recommendation arising from Swansea Council's seventh annual review of social services charges to inform council policy and a revised list of charges, **due to come into effect from 1st April 2024**. This report builds on work undertaken in previous years to keep Swansea's charging fair and equal, and in line with the rest of Wales.

1.2 **Purpose and Scope of review** - the annual review is part of a programme of work undertaken during the year by the Social Services Finance and Charging group.

The annual review considers the following:

- how current arrangements are working
- whether there have been any changes in the policy context,
- operational issues in applying council policy,
- whether charges impacting on demand for social care
- what people are telling us,
- whether there are equalities impacts linked to the proposals.

The scope for the review is:

- To consider the level of inflationary uplift and minimum charging levels that should be applied to non- residential care charges in the 2024/25
- To consider whether any changes are needed to Council Policy
- To identify any next steps for year ahead

### 1.3 Social Services Finance & Charging Group

The Social Services Finance and Charging group is chaired by the Director of Social Services to oversee how the Council's social services manages financial process and income generation, in our work with partners and citizens. This leadership group ensures effective implementation of the Council's charging (social services) policy, taking any decisions on changes to policy and through implementing the list of charges, agreed by Cabinet. This group also monitors the

impact of the Council's charging (Social Services) policy on citizens and carers, as well as on managing the resources available to the Council.

1.4 **Swansea's approach to the Annual Review of Social Services Charges** is based on Audit Wales best practice for reviewing charging (2016), to help ensure that Swansea's charging policy continues to be based on strong principles of fairness and equality. [Charging for services and generating income by local authorities | Audit Wales](#)

The approach taken continues to embed Council's approach to achieve full cost recovery and transparency in how charges are applied and evaluated. Also, in support of the "Five Ways of working" as set out by the Wellbeing of Future Generations (Wales) Act 2016:

- Long Term
- Collaborative
- Preventative
- Integrated
- Involvement

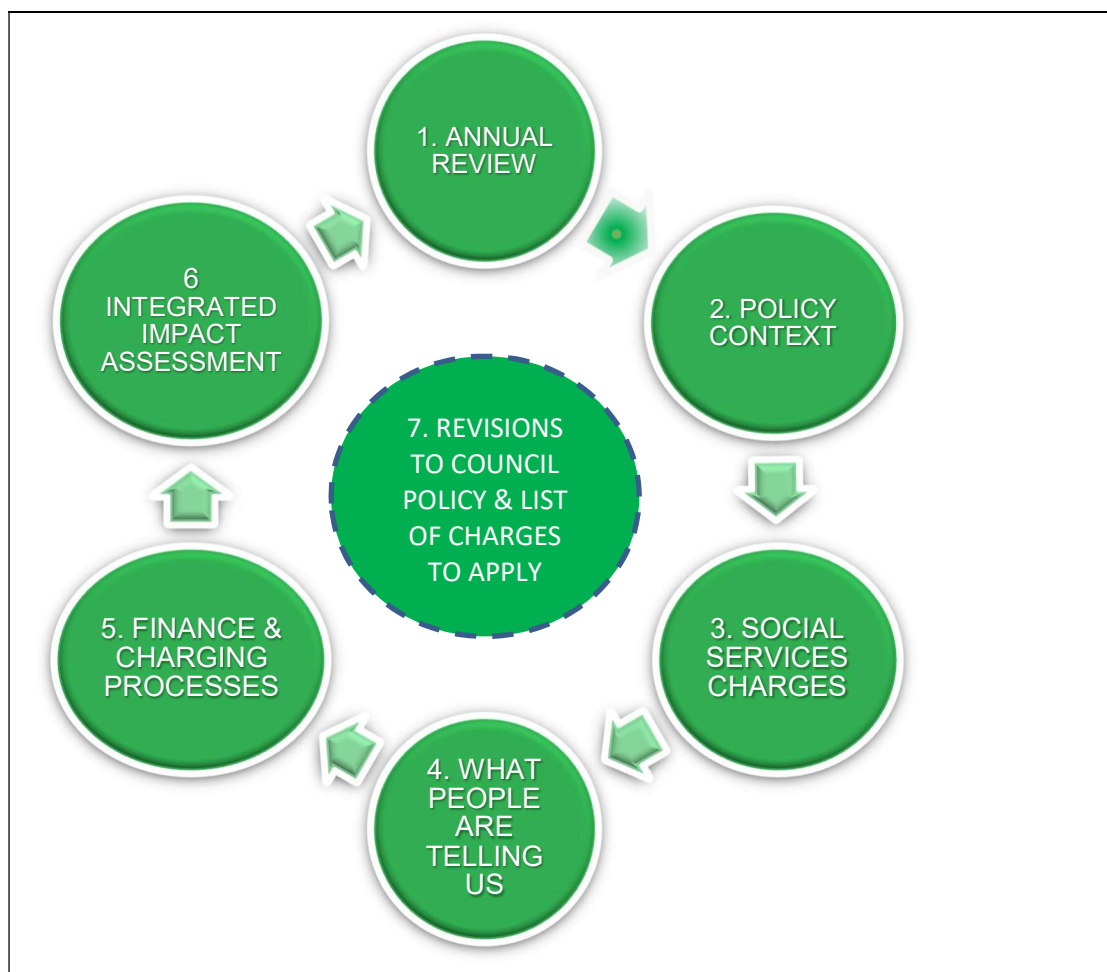


Figure 1 Swansea's approach to annual review of social services charging

1.5 **Integrated Impact Assessment** -this review applies an integrated impact assessment to consider whether the list of social services charges as proposed by the Social Services Finance and Charging group are fully taking into account the broader range of impacts on the people we serve, our communities in particular those groups with protected characteristics.

1.6 **Proposed List of Charges** - This annual review carried out on behalf of the Social Services Finance and Charging Group proposes a revised List of Charges to come into effect in 2024/25 and which are then appended to the Swansea Council's Charging Policy (Social Services) on the public website.

## 2. Policy Context

### 2.1 Social Services and Well-being (Wales) Act 2014 (Part Five)

Local authorities are empowered to charge for the care and support they provide / arrange to be provided (under sections 35 – 45 of the 2014 Act) to meet a person's needs. The charge can only relate to the 'cost that the local authority incurs in meeting the needs to which the charge applies' (s59(2)).

('the Act'), determines that a local authority can only charge individuals:

- Up to the cost of providing the service
- What the person can afford to pay for an assessed for service

These conditions are designed to ensure that local authorities do not charge for the actual assessment process – even if the person in need is a 'self-funder'.

2.2 **Statutory requirements.** Under section 59 of the Act, there are recently (amended) Care and Support (Charging) (Wales) Regulations 2015 [2], version 5 of the Part 4 and 5 Code of Practice (Charging and Financial Assessment, updated April 2020). These all determine that Welsh Local Authorities must publish their own interpretation of the relevant Social Services and Well-being (Wales) Act Code of Practice, how any discretionary powers conferred by the Welsh Government will be exercised in the year ahead and a list of charges to apply.

2.3 **Discretionary powers-** Where a council decides to charge for the care a person receives, it must do so in accordance with the regulations and codes of practice, as above. Welsh Councils retain considerable discretion on which social services are charged for, and the level of charge. The Welsh Government's social services charging policy framework requires Councils to show citizens how they intend to apply discretionary powers on charges for social services, within a charging policy.

2.4 **Statutory limits and thresholds.** The Act also states that any charges for social care cannot be set at a level higher than the cost of providing the service. That charges can only relate to the 'cost that the local authority incurs in meeting the assessed, eligible needs for managed care and support, to which the charges may apply (section 59-2).

Any changes to allowances that may apply in 2024/25, are not yet confirmed by Welsh Government, here is link to current guidance:

[Charging for social care | GOV.WALES](#)

## 2.5 Policy Changes within Wales

Social Care is devolved to the Welsh Government, and yet dependent on the UK Government for any additional funding to sustain the current charging and funding model.

**2.5a** Senedd Committee report: “Paying for care and support services (adult social care) - a guide for constituents” was published in January 2022.

[paying-for-care-a-guide-for-constituents-english.pdf \(senedd.wales\)](#)

### 2.5b Rebalancing Care and Support- consultation

Welsh Government’s recent public consultation on ‘Rebalancing care and support’, followed the publication of a White Paper (2021) which set out a number of proposals to “reduce complexity, increase sustainability, and strengthen integration”.

It proposed focussing on three areas for improvement:

- refocussing the fundamentals of the care market,
- reorientation of commissioning practices; and
- evolution of integration mechanisms.

## 2.6 Policy changes in UK

In some ways the England direction of travel is mirroring that which is already in place in Wales. Anyone who requests public funded social care must undergo a needs assessment and a means test, and only those with highest needs and the lowest financial assets are likely to receive support. Anyone with assets or capital of more than £23,250 must pay for all social care themselves.

## 2.7 Legal Challenges

If a person believes that the charge is ‘more than reasonably practicable’ for them to pay, they have the right to complain to the Council or to the Public Ombudsman and they are entitled to ask the Council for charges to be reconsidered. In Wales the charges for non-residential, community-based care and support are part of the national charging framework as outlined above and a person’s contribution is capped nationally at £100 per week. There have not been any successful legal challenges of social care charging policy reported in Wales this year.

[Challenging adult social care decisions in England and Wales \(equalityhumanrights.com\)](#)

### 3. Social Services Charges

3.1 Swansea Council's Charging (social services) policy. All charges relating to social care are covered by Swansea Council's Charging Policy (Social Services) – version 5. [Charging Policy \(Social Services\) - Swansea](#)

3.2 **Key Principles** Swansea Council aims to be clear, fair and transparent in what we charge for, and we do this by publishing an annual schedule/ list of charges, as set out in a Swansea Council Charging Policy. There are some 'fairness' issues in applying this national charging policy, which in effect imposes a charging ceiling, which can mean everyone may be charged the same regardless of wealth or amount of service received, over a certain amount. The financial assessment is carried out, to means test this approach, though still this will clearly have greatest impact on those people with less income.

3.3 **Swansea Council's financial rules** expect that paid officers work within the principle of full cost recovery, and we are continually working to improve our understanding of the costs of delivering services to the public, and the factors which cause variations in costs over a period of time, such as occupancy rates, staffing costs and inflationary pressures.

3.4 **Opportunities for Potential/ New Charges** - Welsh Government's current charging framework allows for certain discretion in charging adults for Care and Support services. In exercising this discretion, the Council must consider carefully whether any additional care and support services should to be added to the list of charges; whether within the community-based category, or by applying a flat rate, and the cost/ benefits of doing so.

### 3.5 List of Social Care Services not subject to charges

The following table sets out a list of Council's social care services not subject to charge, i.e. social care services not referred to in Appendix 1 List of Social Services Charges to apply in 2024/25. Many of these services have been actively considered during the past few years, and the current position of the Social Services Finance & Charging group is shown but subject to review.

<b>Council service subject to discretion</b>	<b>Latest position:</b>
Commissioning support – partners including administration cost	Via recharging
Carers support services	Not currently applied
Community Alarm Service Charges	see paragraph 3.6
Deferred Payments- administration	see paragraph 3.7
Self-funders - administration	Not currently applied
Local Area Coordination	Not currently applied
Occupational Therapy –assessment for provision of equipment & assistance	Not currently applied
Employment related services	Not currently applied
Other- Preventative	Not currently applied
Social Development Services	Not a calculated fee
Care and Housing Support	Not a calculated fee

Services to Children, Young People & Families, including Supervised Contact Foster Care, Family Support, Special Guardianship	Not currently applied
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### 3.6 Deferred Payments

The Councils offers deferred payment agreement to offset the bill of charges for social care, with a timetable for resolution, which may be achieved through the sale of property. The timetable is often complicated by factors such as probate, housing and the housing market. It has been the view that charging additional administration or interest costs adds more financial cost, more work for the Council and additional complications in a relatively small number of cases, for what would be limited revenue source. The Council is considering a set-up fee to administer the deferred payment agreement, and feasibility work, including consultation will take place this year.

### 3.7 Community Alarms

There are **2538** Swansea Lifeline community customers (October 2023). Approximately 300 of these are connections linked to an assessed service i.e. Telecare

3.7.1 The inflationary uplift proposed for all social services changes to be applied to the Lifeline annual rental cost – to all lifeline customers (see Appendix 1 Swansea Council List of Charges (to apply in 2024/25).

3.7.2 As part of a comprehensive service review, the proposal is to undertake consultation on the following new charges for Community Alarms (Lifeline):

- **One-off charge for installation of new alarms** for new customers
- **Replacement charging** - changes in Terms & Conditions of service to apply a charge for any replacement pendants as a result of damage or loss by the customer.

#### 3.7.3 One-off charge for installation of new alarms for new customers

Currently no charge for installation of equipment. Actual cost of installation for all new lifeline clients is **£46** (inclusive of on-costs). A charge for installation of an alarm is standard practice for Lifeline services. There are approximately **600** new installations per year in Swansea.

3.7.4 **Replacement charging**- all customers to whom terms and conditions apply. Currently there is no charge to clients for supply of replacement pendants where existing equipment has been lost or damaged. The number of pendant replacements for loss or damage has risen year on year – in 2023 up to and including the month of October these totalled **280**.

#### 3.7.5 Integrated Impact Assessment- Lifelines

As part of the service review, a separate Integrated Impact Assessment has been undertaken, and if consultation on these proposals is approved (see recommendations), Adult Services will report on the outcome.

3.8 **Benchmarking** - this annual review of charges has also looked at the 2023/24 charging schedules of other Welsh Local Authorities (where published) and there are several examples of Welsh Council's discretionary approaches to social services charging summarised at the end of the table in **Appendix 2**.

#### 4. What people are telling us

**4.1 Public consultation-** there has been no formal public consultation undertaken this year in relation to charges, as the Council's charging (social services) policy has not changed.

#### 4.2 Complaints/ Compliments

Social Services and Adult Services received more complaints in 2022/23, only a small proportion relate to the statement of charges, charging policy and financial assessments.

Some complaints from individuals, their carers or relatives, are directly in relation to the costs of the cared for person's care and support. Annual Reports summarising the Complaints and Compliments received relating to Adult and Child and Family Services, are reported to Governance & Audit Committee. Work is currently underway on the latest reports.

<b>Complaints received by Corporate Complaints Team relating specifically to social services charging (e.g. unhappy with charges levied) in year</b>			
<b>Outcome/ Year</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
Stage One - Justified	7	4	TBC
Stage One -Partially Justified	2	1	TBC
Stage One - Not Justified/	1	-	TBC
Stage One - Local Resolution /Other	1	-	TBC
Stage One - Not Pursued/ Informal	-	-	TBC
Stage Two - Partially Justified	1	-	TBC
Stage Two - Not Pursued/ On-going	1	2	TBC
<b>Totals (relevant to charges)</b>	Stage 1 = <b>11</b> Stage 2 = <b>2</b>	Stage 1 = <b>4</b> Stage 2 = <b>3</b>	TBC

There are also a high number of compliments praising the professional support provided, and the skills of the help given to people in accessing a range of social services.



### 4.3 Public Ombudsman

The Public Ombudsman cannot assess an individual's ability to pay for the cost of their care and support services, they sometimes receive complaints about related matters, which are summarised in a casebook (most recent case book 2021).

<https://www.ombudsman.wales/case-books/>

## 5. Finance & Charging Processes

### 5.1 Financial Assessment

It is important that the financial assessment is offered to the person being charged for the care and support they actually receive, and that this assessment is carried out fairly, and accurately, based on the information provided. The financial assessment takes full account of a person's income and personal expenses, and it is also important that this assessment is reviewed as the person's circumstances change, and annually.

### 5.2 Social Care Income and Finance Team

The Social Care Finance Team is part of the Revenues and Benefits Service within the Financial Services Department and is responsible for:

- Undertaking financial assessments of clients' contributions towards the cost of their care
- Collection of those client contributions
- Scrutiny of claims for re-imburement from care providers
- Payments to care providers for residential and non-residential care
- Payments of Fostering and Adoption allowances including the means test that determines the allowance paid to an adopting parent
- Payment of Special Guardianship Allowances
- Payment of Direct Payments

In 2022/23, the SCIF Team completed a total of **4,865** financial assessments for both new assessments and changes in circumstances (5,011 financial assessments were undertaken in 2021/22).

Below are some highlights of the Team's activities, which are central to a sustainable adult social care model in Swansea.

- a) Community based care
  - **837** care packages were amended due to changes in the care and support plan or a change of provider.
  - **832** care packages have ended for a variety of reasons. These include changes residential care placement by service user choice, where a person, is admitted to hospital or deceased.
  - The team processed **199** respite stays in the year.
  - The team actioned **175** new Direct Payments in 22/23, **218** changes in Direct Payment P packages have been actioned and **180** Direct payments have been ended for a variety of reasons.

- b) Residential / nursing care:
  - **351** placements were terminated for a variety of reasons (for example deceased, admitted to hospital, discharged to the community or assessed as self-funding)
  - **90** placements were reassessed due to a change in circumstances (for example, upgraded to nursing or moved to an alternative home)

### 5.3 Income Generation

A significant amount of income is generated on behalf of Swansea Council by applying national social services charging framework within Adult Services. The following table shows trends in Income Generated over the past five years. The table does not include ‘technical income’ attributable to changes in the Direct Payment provider in both 21/22 and 22/23. This is not client income so should be excluded. Also excluded in this version of the income table is recovery of excess Direct Payment balances, as relates to a recovery of excess expenditure.

Service Category	2018/19	2019/20	2020/21	2021/22	2022/23
Community Alarms	487,686	450,380	395,850	494,843	483,117
Day Services	433,814	559,804	241,030	272,057	337,442
Direct Payments	310,536	726,901	762,551	770,769	759,874
Domiciliary Care	2,790,267	2,803,476	2,823,830	2,738,092	2,380,097
Other/Admin.	392,490	545,833	378,394	300,569	441,193
Residential Care	11,579,594	12,845,876	11,628,620	11,007,404	12,663,394
<b>Grand Total</b>	<b>15,994,386</b>	<b>17,932,271</b>	<b>16,230,274</b>	<b>15,583,734</b>	<b>17,065,117</b>

Table 3. Adult Services Yearly Analysis of income/ income related to charging by type - figures based on information within the Council’s financial ledger

#### Main Points from previous table:

- Significant amount of income is generated by applying national social services charging framework within Adult Services
- Actual income has increased by approx. **9.5%**, when compared with the previous year.
- This is the first increase in actual income since 2019/20.
- There is likely some residual impact on income levels arising from the pandemic, as income remains **4.8%** below that achieved in the last pre-covid year.
- There is a small reduction in income from community alarms.
- Day service income has increased as would have been expected.
- Slight reduction in Direct Payments client contributions.
- 13% reduction in domiciliary care-related income.
- Other income has increased following a drop in the previous year.
- Significant increase (£1,656k) in residential care- related income

5.4 Any projection of income expected within 2023/24 is not an exact science due to the number of variables involved, for example demand for service, changes in household incomes, and the impact on thresholds. The Social Service Performance and Financial Monitoring meeting continue monitor internal and external income as part of the budget reporting, and action taken is accordingly.

### **5.5 Debt Recovery / Invoicing**

Considerable work has been undertaken through the year to reduce outstanding debt in social services. We are continually working with citizens, partner organisations, representatives and social services colleagues to recover these debts and make appropriate resolutions.

Effective joint working between SCIFT, Corporate Commercial and Procurement teams and the Social Services Finance officers continues to ensure that all our invoicing and debt recovery processes are working effectively.

### **5.6 Personal Debt / recovery**

5.61 The Council recognises that a significant proportion of Council services are funded through service charges. If income is not collected effectively, then the authority will be unable to properly fund the vital services it provides for the citizens of Swansea or it will simply mean costs fall to others to pay more to make up the shortfall.

5.62 Swansea Council also recognises that early engagement from those at risk of debt or in debt, can prevent debts from escalating, reduce indebtedness and increase the ability of citizens to meet their financial responsibilities. We know that anyone can experience financial difficulties at any time and that money problems do not just affect the person in debt. Families and communities thrive when people can afford healthy lives and avoid the stress of money worries.

5.63 Swansea Councils aims to take a consistent approach to the collection of debt and supporting those who are in debt, to help reduce outstanding debts to the Council and provide the revenue to deliver services.

## **6. Integrated Impact Assessment**

6.1 The current economic situation, as the world continues to respond to the pandemic, remains one of uncertainty, stories of personal and family struggle and public facing agencies responding quickly to each set of circumstances as they arise. This period, with the additional challenges of changes to welfare benefits, universal credit, inflation rises, specifically food, energy and fuel prices, and the costs of Brexit are having a devastating impact on some individuals, families, communities and businesses. Government support to ease these impacts during the pandemic has largely tailed off for businesses, and the fiscal priority again seems to be on reducing the public sector borrowing requirement. Additional investment in Health and Social Care was due to be funded by increases in

national insurance, and these changes have been put back. Overall, the financial outlook for all public services in Wales is likely to be extremely challenging over the next decade.

A more detailed analysis is set out in the Council's Medium Term Financial Plan.

6.2 Deprivation is an important consideration when looking at imposing charges on the care and support of our most vulnerable citizens and in support of their carers. The Wales Index of Multiple Deprivation (WIMD) is updated every 4 to 5 years. The most recent index was published in 2019, **17 (11.5%)** of Swansea's 148 LSOAs are in the most deprived 10 per cent in Wales (similar to the overall proportion in 2014). Swansea also has 8 Lower-layer Super Output Areas (LSOAs) in what is termed Deep-Rooted Deprivation; those that have remained within the top 50 most deprived – roughly equal to the top 2.6% – small areas in Wales for the last five publications of WIMD ranks. The current economic situation is likely to have greatest impact in these areas.

6.3 Overall the financial outlook coupled with high demand for social care and population changes mean that the Council continues to apply the Welsh Government's framework for local authority social services charging to ensuring the continued sustainability of our services. Swansea's corporate financial policy on setting charges still sets out an expectation on all services to aim for Full Cost recovery where possible, and to operate within the key principles set out in the Council's Transformation programme, and through objectives in the Corporate Plan 2023-28.

#### **Actions to be taken:**

- Full Integrated Impact Assessment to be completed, only if required, following a public consultation on the Council's budget 2024/25, due to commence in January.

## **7. Revisions to Council Charging Policy and the List of Charges to apply in 2024/25**

### **7.1 Swansea Council Charging Policy (Social Services)**

The Council's policy and this annual review process, as reflected in this report, aims to ensure that charging, where it occurs, is consistent, fair and clearly understood. Individuals when asked to pay a charge will only be required to pay what they can afford.

The current policy considers the principles set out in the charging and financial assessment framework introduced by the Act, and the relevant codes of practice.

Public Information and advice about charging is available on the council website, and leaflet, taking account of individual communication needs, on request. Swansea Council are committed to giving people a stronger voice and real control over the care and support they need, to achieve their own well-being outcomes.

#### **Actions to be taken:**

- Social Services Finance and Charging group ensures that up to date public information is available on the Council's website.
- The Charging (social services) policy is reviewed and updated regularly by the Social Services Finance and Charging group to reflect national policy and local guidance.

**7.2 Changes within the List of Charges** as published prior to the start of the financial year should reflect the many inflationary pressures impacting on the social care sector. The costs of providing social care services are subject to inflationary pressures. Significant changes have been made in previous years to ensure that Swansea's charging policy is consistent with most other local authorities in Wales, and that this policy is applied with fairness and equity. Unless Swansea keeps pace with inflationary increase put into place by other Welsh Local Authorities, then the gaps will reappear. Inflation (CPI) currently stands at 4.6% (to October 2023), down from 6.7% in September 2023, and having previously been as high as 10% in 2022. Whilst the Office for Budget Responsibility is forecasting a fall to 2% later this year, the impact of in year and past inflation is still being felt. Many of the household impact items, and costs associated with delivering social care, will have already increased in price.

The current inflation pressures will remain with their impact on households, providers and services through energy costs, food costs, travel cost, interest rates and higher taxation/ national insurance.

These higher costs of providing care coupled with higher social care wages to meet the real living wage, will continue to impact on the delivery of social services in 2023/24, and beyond, with a disproportionate impact on Adult Services.

**Swansea Council Link:** [Medium Term Financial Planning 2024/25 – 2026/27](#)

**Office for Budget Responsibility: Economic and fiscal outlook – November 2023:** [EFOs - Office for Budget Responsibility \(obr.uk\)](#)

**Actions to be taken:**

- Proposal to Cabinet, on behalf of the Social Services Finance & Charging group, is to increase all charges by **6%** to apply to all set out in the List of Charges to apply in 2024/25.
- An Integrated Impact Assessment screening has been undertaken, and this proposal is still considered to be low impact on the basis that everyone who is the subject of social services charges is offered a fair financial assessment, and then can expect to be charged within the protection of the thresholds set under the Welsh Government national charging framework.

## 8. Conclusions

In summary Swansea Council's annual review of social services has taken into account the following:

- Policy Annual review approach
- Social Services charging framework.
- What people are telling us.
- Continuous process improvements
- Integrated Impact.
- Comparisons with some other Welsh LAs.
- Any revisions needed.

Within the current context, it is not deemed necessary or appropriate to consult upon making any changes to the current charging policy.

## 9. Recommendations

Cabinet is asked to accept the findings of the annual review of changes, and that there are no new service charges **to apply in 2024/25**:

- To approve an inflationary increase of **6%** to be applied to all social services charges to come into effect on 1<sup>st</sup> April 2024.
- Cabinet to approve the list of social services charges to apply from 1st April 2024, for the year 2024/25.
- Grant permission to Adult Services for further work to be undertaken in 2024/25 on additional lifeline charging, to covering installation and replacement costs.
- The revised List of social services charges 2024/25 (Appendix 1), once agreed, is appended to the Council's Charging (social services) policy.

## Appendix 1 Swansea Council List of Charges (to apply in 2024/25) v1

These are the amount clients will be charged for social care services, subject to any limits on the maximum charge specified by Welsh Government.

### 1. Residential Care and Support Services (Local Authority)

Council's in-house residential care service delivers a high-quality service for individuals with complex needs, and also offer placements for residential reablement and respite care.

The charges shown below are for the council-run care homes only and are only indicative of the average weekly costs of care and support, as some individuals may have additional needs to be identified and charged accordingly.

All charges for residential care are means tested. Residents may only be required to pay a contribution towards the total weekly cost. In certain circumstances, residents may be required to pay the full cost of residential care.

#### a) Long Term Residential Care (Local Authority)

Charges for Services by category of care	Weekly charges in 2023/24	Weekly charges in 2024/25	% Increase/ Comment
<b>Residential Care</b>			
<b>/ Council-run only</b>			
Elderly Care	£708.02	£750.50	6%
Dementia Care	£708.02	£750.50	6%
Mental Health	£1,855.24	£1,966.55	6%
Learning Disabilities	£1,855.24	£1,966.55	6%
Younger Adults	£1,855.24	£1,966.55	6%

**b) Short Term Residential Care: respite care (Local Authority)**

<b>Charges for Services by category of care</b>	<b>Weekly charges in 2023/24</b>	<b>Weekly charges in 2024/25</b>	<b>% Increase/ Comment</b>
All adults short term residential care: respite care	£100	TBC by Welsh Government	Continue to reflect Max. weekly charge set by Welsh Government

**2. Non-residential, community-based care and support Services**

- Domiciliary Care – is care in the client’s home provided by a private sector provider
- Home Care – is care in the client’s home provided by the Local Authority

All charges are means tested up to the maximum standard charge as outlined below

<b>Charges for Services per category of care</b>	<b>Charges in 2023/24</b>	<b>Charges in 2024/25</b>	<b>% Increase/ Comment</b>
<b>All adults Non-residential, community-based care and support Services</b>			
Domiciliary Care or Home Care, including respite at home, supported living	£21.87 per hour	£23.18 per hour	6%
Older Persons Day Services	£50.82 per day	£53.87 per day	6%
Day Services Younger Adults /Special Needs Day Services	£63.56 /day	£67.37 per day	6%



### 3. Flat rate charges for other services provided by Swansea Council

These social care charges for Council run services are discretionary, and are **not** subject to a means test, or a maximum weekly charge.

Charges for Services per category of care	Charges in 2023/24	Charges in 2024/25	% Increase/ Comment
<b>Adult social care charges for Council run services</b>			
Community Alarms (Lifelines)	£165.88 exclusive of VAT £199.00 inclusive VAT (Annual)	£175.83 exclusive of VAT £210.94 inclusive VAT (Annual)	6% <a href="https://www.swansea.gov.uk/communityalarms">https://www.swansea.gov.uk/communityalarms</a>
Meals (within community-based, day services)	£4.46/ day	£4.73/ day	6%
Court of Protection Deputyship	Court of Protection Deputyship charges as set in law by the Ministry of Justice	Court of Protection Deputyship charges as set in law by the Ministry of Justice	
Pre-Deputy support charge	£5 per week	TBC	6%

## **APPENDIX 2: COMPARISON WITH OTHER WELSH LOCAL AUTHORITIES**

- a) Table showing latest available information about how Swansea's social services charges compare to selected other Welsh Local Authorities. This year due to Covid, information has been collated and updated following a web search for the following service areas:

<b>Local Authority Social Services Charges to 2023/24</b>	<b>Home Care (subject to weekly charge)</b>	<b>Day Care (subject to weekly charge)</b>	<b>Direct Payments</b>	<b>Residential Care Long Term /Temp Elderly/ week</b>	<b>Residential Care Short Term/ Respite (</b>	<b>Telecare/ Lifeline (per week)</b>	<b>Other (per day)</b>
Swansea (2023/24)  <b><u>Updated</u></b>	£21.87 per hour	£50.82/ day- older people  £63.56/ day- adults	Variable	£708.02- older people  £1,855.24 - learning disability  £739.85- Nursing	£100  (Max weekly charge applies to respite only)	Lifelines: flat rate annual charge £165.88 exclusive of VAT or £199.00 inclusive of VAT	Meal £4.46  Pre-Deputy Support = £5 per week
NPT  <b><u>Updated but no figures available</u></b>	£20 per hour	£36 per attendance	Value of direct payment	£459 Adult Family Placement  £882.76 (Pobl charges to new residents)	£100  (Max weekly charge applies)	£5.70 (LL- Extra)	
Bridgend CC  <b><u>Updated- published list of charges is for 2022/23: CPI may have applied to these rates</u></b>	£20.92	£37.29 / day  £70.26/ day	Variable	Remodelling	£100  (Max weekly charge applies)	£6.55/ week (one person in household)	Meal - £5.66  Tea/snacks £1.69

Local Authority Social Services Charges to 2023/24	Home Care (subject to weekly charge)	Day Care (subject to weekly charge)	Direct Payments	Residential Care Long Term /Temp Elderly/ week	Residential Care Short Term/ Respite (	Telecare/ Lifeline (per week)	Other (per day)
Carmarthenshire CC <b>Updated</b>	£20.00 per hour (community support)	£19.55 per session	PA rates  £14.50 per hour/£110.80 per night	N/a	£100  (Max weekly charge applies)	Telecare £4.20 per week  £18.77 per quarter (lifeline only)  £53.70 per quarter (monitor & pendant)	Meals/ snacks £8.50 in day service  Community Meals £6.00  Laundry £3.10 per load
Powys CC <b>Updated</b>	£23.50 per hour	£15.00 per day  Attendance at day and employment services: £15.00 per day	£12.85 per hour PA rate  £17.26 per hour Micro enterprise  £19.70 per Hour agency rate	N/a	£100  (Max weekly charge applies)	Careline Programming & Installation = £48	Meal £7.50  24-hour support (supported tenancy): £100 per week
Pembrokeshire CC <b>Updated</b>	£21.12	£32.49 (PPC-run)	Home and Community Services rate = £15.71 Day Opportunities= £53.55/day	In house residential = TBC (£722.11)  In house residential EMI = TBC (£786.21)	£100 (Max weekly charge applies)	£2.24- with Disablement Exemption Certificate  £2.69 -without Disablement	Meal- TBC  Appointeeship Administration Charges = £10 Deferred Payment

Local Authority Social Services Charges to 2023/24	Home Care (subject to weekly charge)	Day Care (subject to weekly charge)	Direct Payments	Residential Care Long Term /Temp Elderly/ week	Residential Care Short Term/ Respite (	Telecare/ Lifeline (per week)	Other (per day)
						Exemption Certificate	Administration Set-up Cost (One-off charge)= £500
<b><u>RCT</u></b>  <b><u>Updated- public information still showing 2022/23 rates</u></b>	£17.00/ hour	£17 per day	<b>£10.00 per hour</b>	Determined on individual basis	£100  (Max weekly charge applies)	£143.98 p.a	Minimum weekly charge = £4.05 per week

## APPENDIX 3. INTEGRATED IMPACT ASSESSMENT SCREENING FORM

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

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

Service Area: Swansea Council

Directorate: Social Services

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

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

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

#### **Annual Review of Swansea Council's charging (social services) policy 2023/24, and list of charges to apply in 2024/25.**

This the seventh annual review of social services charging was carried out on behalf of the Social Services Finance and Charging group, chaired by the Director of Social Services.

This IIA screening covers both the Annual Review of Charges (Social Services) report which sets out any changes within Swansea Council's Charging Policy (Social Services), and the proposed List Of Charges to be applied in 2024/25.

The main change to take effect from 1st April 2024 is that all social services charges are to be increased in line with current inflation and forecasts; this represents an uplift of 6% There are no new charges proposed by this annual review.

Clearly there are some impacts arising from applying an inflationary uplift within the Council's charges (on social care) However all social service non -residential charges are set within a national legislative framework, and in compliance to regulations and code of practice as set by Welsh Governments, namely within Parts 4 and 5 of the Social Services and Well-being (Wales) Act 2014, henceforth 'the Act'.

Under the Act, citizens to whom the charges apply are protected by some important policy entitlements:

- right to be offered a financial assessment to consider whether they have the means to pay a contribution to the costs of their social care and support
- there are clear principles that a person's ability to pay should not precluding access to care and support or that the charges for care and support should not exceed the costs of provision
- there are personal thresholds set by the Welsh Government: namely a maximum weekly charge to be set at £100 per week,
- Capital and Personal income allowances are also set for people who are subject to charges in relation to residential care.

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

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

The evidence for a low impact would be the local implementation of a national statutory framework which was equalities impact assessed prior to implementation in 2026. Swansea Council in carrying out an annual review of its own social services charging policy is demonstrating best practice. The policy is implemented within a clear set of principles, and the offer of a financial assessment to all social services clients. The annual review process considers any feedback including any relevant social services complaints received within the past year. Swansea Council implements a fair and compassionate approach to debt recovery in relation to charges.

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

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

Swansea Council is complying with its duties under the Social Services & Wellbeing (Wales) Act 2014 which allows local authorities to exercise discretion and to work within the principles of fairness, transparency and equality. It is a

statutory requirement under Parts 4 & 5 of the Social Services & Well-being (Wales) Act 2014 for local authorities to reflect and update these charges in a clear and transparent way, demonstrating fairness and equity to Swansea citizens.

All charging thresholds/ limits to the Councils charges are set by the Welsh Government, and these are in place to protect citizens against poverty and social exclusion. Welsh Government undertook a full EIA of the Charging framework (December 2016):

[equality-impact-assessment-part-5-the-social-services-and-well-being-wales-act-2014.pdf \(gov.wales\)](#)

There have been no significant changes to the national charging framework or local social services policy since the implementation of the Act. However due to the unprecedented national rate of inflation, and its impact on social care, there are wider questions about the funding of social care in Wales to be considered nationally,

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

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

---

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

High risk

Medium risk

Low risk

---

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

Yes

No

If yes, please provide details below

---

**Q7 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

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

The Council's Charging policy (social services) was agreed by Council in March 2016, following a full Equalities Impact Assessment, which was carried out to consider and consult on how the policy is applied to all client groups that are able to access residential and non-residential community care services.

A full EIA was completed in 2016/17 to support the introduction of new charges to Day Services and Respite Care in Swansea Council, to bring the Council in line with other Welsh Local Authorities. Also last year (2022/23), a full EIA was completed to reflect the high inflationary impact (10%) on all citizens and populations groups.

Any impact on individual or population groups with protected characteristics is mitigated by the Welsh Government's national charging framework which sets out the minimum income allowances, capital thresholds and weekly charging caps.

No new charges for social services to existing clients have been introduced in 2023/24, or proposed charges for 2024/25. The new charges proposals relate to installation of community alarms to new clients, reflecting the Council's financial principle of full cost recovery. Also, to impose a replacement cost to all clients for lost/ damaged equipment. These proposed changes will be under consideration in 2024/25 following a full-service review and consultation in approved, to be reported on separately.

This year the annual review of charges carried out this year is proposing a 6% inflationary increase to charges, to reflect increasing costs of social care, to come into effect on 1st April 2024, in line with other Council charges.

Swansea Council's Charging (Social Services) policy has only been updated to reflect the current national policy/ links, with no changes proposed to the local approach or discretionary areas.



## Outcome of Screening

### Q8 Please describe the outcome of your screening below:

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

• **Summary of Impacts (Q2)** Impacts are low on specific groups, due to the nature and purpose of the annual review of charging report, in that there are no new or additional charges. No specific direct negative impact has been identified, during this annual review of Charging policy.

The mitigation of the burden of charges is controlled by Welsh Government who set thresholds for personal allowances and caps on the maximum weekly charge. If service users are charged too much for their services, there is always the risk that they or their carers may decide they can no longer attend. There is little evidence that there has been a significant number of people leaving community-based support services due to charges being applied. Swansea Council has a complaints process which allows citizens to communicate their views about the service and any unhappiness they may have about their experiences, and recourse to this channel has been considered in this report. If citizens are charged too little, then this could impact on the service offer and the availability of social care in future years.

• **Summary of involvement (Q3)** Involvement with citizens takes place on an individual basis, through their social worker, their care and support assessment, and their individual financial assessment processes. Each of these activities are person-centred, and delivered through collaborative communication. Council managed activities such as financial assessment help to reduce any lack of fairness in how charging is being applied or between different forms of care and support which a charge may apply.

Social Services also work closely with other departments (Finance, Legal and complaints) in the Council with our Health partners and with social care providers.

The Council's Charging policy aims to promote fairness, consistency, and transparency in how a person is made aware, via a statement of a charge, how they are financially assessed for the charges, and how a request for payment is made. This clear policy has helped to promote a more informed and clearer relationship between local authority and people who are charged for their care and support.

The Annual Review of Charges considers whether any further improvements are needed to the management of the care and support assessment and financial assessment process to support the implementation of the Council's Charging policy. This work is overseen by the Social Services Finance & Charging group, which meets monthly.

• **WFG considerations (Q4)** Well-being of Future Generation support a sustainable approach to the planning and delivery of adult social care. By applying the Welsh Government's national charging framework, and threshold with fairness and transparency, the Council is ensuring resources are available for care and support services to promote the wellbeing of individuals, carers and families in the present, and for the future.

• **Any risks identified (Q5)**

The risk to the Council would be a through legal challenge or complaints, though this risk is reduced by minimising changes to the current social services charging policy. Social Services Finance and Charging group continually monitors and improves current arrangements in applying Charging policy, and the risks to the Council, taking action to apply any changes needed to current policy or processes, through its work programme.

We aim to ensure that sufficient, up to date public information is made available on charging for social care in a suitable format, and in the Welsh Language, that service users can access. This information, and the List of Charges to apply, is updated following consideration of the annual review of charging report by Cabinet.

• **Cumulative impact (Q7).**

Charging for social care may add to the financial burden of individuals, families and un-paid carers. We apply a set of core principles within the Councils Charging – social services policy to ensure that individual circumstances are fully taken into account.

Tackling Poverty service is part of the Council’s Social Services directorate and their vital work in areas such as Welfare rights, Benefits training, Poverty and Prevention strategies and targeting financial advice is having a positive impact. A report on the Tackling Poverty team’s activity and performance is considered by the monthly Social Services Performance & Financial Monitoring meeting.


(NB: This summary paragraph should be used in the relevant section of corporate report)

**Full IIA to be completed**

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

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

<b>Screening completed by:</b>
<b>Name: Simon Jones</b>
<b>Job title: Social Service Strategic Performance &amp; Improvement Officer</b>
<b>Date: 4th January 2024</b>

<b>Approval by Head of Service:</b>

<b>Name: David Howes</b>
<b>Position: Director of Social Services</b>
<b>Date: 4th January 2024</b>

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

# Agenda Item 15.



## Report of the Cabinet Member for Education and Learning

Cabinet - 15 February 2024

### Quality In Education (Qed) – Emerging Proposals and Investment Priorities for the Sustainable Communities for Learning Strategic Outline Programme (Rolling)

<b>Purpose:</b>	To consider and endorse the Sustainable Communities for Learning Strategic Outline Programme (Rolling) for submission to the Welsh Government.
<b>Policy Framework:</b>	<ul style="list-style-type: none"><li>• Corporate Plan 2023/2028</li><li>• QEd programme</li><li>• Abertawe 2028</li></ul>
<b>Consultation:</b>	Education, Finance, Legal and Access to Services, Corporate Building Services and Corporate Property Services
<b>Recommendation(s):</b>	It is recommended that Cabinet: <ol style="list-style-type: none"><li>1) Re-affirms the key aims and focus of the Strategic Outline Programme previously supported by the Welsh Government</li><li>2) Endorses the proposed future capital investment priorities for the Sustainable Communities for Learning Strategic Outline Programme (Rolling), recognising that there is no absolute commitment to the funding on either Council or Welsh Government as it is approved in due course on a case-by-case basis even if the SOP is otherwise approved by both Council or Welsh Government.</li><li>3) Notes the scale of the overall funding ask and proposed funding strategy to meet Council's local contribution, recognising the future detailed funding and affordability decisions will be for future Councils, future budgets and medium term plans in the early 2030's.</li></ol>
<b>Report Author:</b>	Louise Herbert-Evans
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Caritas Adere
<b>Access to Services Officer:</b>	Catherine Window

## **1.0 Background**

- 1.1 The purpose of this paper is to consider and endorse the future proposals and investment priorities for the next phase of the Sustainable Communities for Learning Programme, previously known as the 21st Century Schools Programme, for submission to the Welsh Government.
- 1.2 In July 2017 Cabinet endorsed the council's Band B of the 21<sup>st</sup> Century Schools Strategic Outline Programme and the proposed capital investment priorities. Since the initial approval there have been several other changes within the programme. The Welsh Government capital grant intervention rate was set at 50% for Band B, but Welsh Government announced on 21 November 2018, that the Band B intervention rate for capital projects would be increased to 65%, and for special schools and PRUs to 75%. The intervention rate for voluntary aided projects remained unchanged at 85%. In September 2023, Cabinet endorsed an uplift to the programme envelope to £176m, with a switch to wholly capital funding (instead of using the Mutual Investment Model for some of the projects).
- 1.3 Since 2017, the remaining Band A project - a new build for Gorseinon Primary School - has been completed. The completed Band B projects are new builds for the Pupil Referral Unit (Maes Derw), YGG Tan y lan and YGG Tirdeunaw, and new blocks and refurbishment and remodelling for Ysgol Gyfun Gwyr and Bishopston Comprehensive School.
- 1.4 In January 2022 the Programme was renamed 'Sustainable Communities for Learning (SCfL)' by the Welsh Government (WG) to make a clear statement about its commitment towards the environment, community cohesion, and our future generations. This Programme is expected to see a further £2.3 billion investment in school and college infrastructure utilising both public capital and revenue.
- 1.5 Band B ends on 31 March 2024 and councils are now required to submit a new Strategic Outline Programme (SOP) to WG for a rolling programme by 31 March 2024.
- 1.6 The nine-year capital programme, including an indicative funding forecast for the nine years, is required to be submitted to the Welsh Government for consideration towards providing a commitment and support for the first three years along with in-principle support for years 4, 5 and 6. Years 7 to 9 will reflect the longer-term project pipeline. Band B projects not yet completed can be included at the beginning of the nine-year capital programme.
- 1.7 The submission must include any changes to the strategy previously set out in Swansea's Strategic Outline Programme and the council's future investment priorities, demonstrating how these link to local and national

priorities such as the Wellbeing of Future Generations (Wales) Act, Welsh medium and childcare strategies.

- 1.8 If approved, each of the investment priorities will be subject to detailed business case development, further WG approvals, together with separate reports to Cabinet for decision. Some of the priorities may require statutory consultation and catchment area reviews. These will be the subject of separate Cabinet reports.
- 1.9 The grant rate for the new rolling programme remains unchanged and the report will consider the proposed funding strategy.

## **2.0 A Long Term, Evolving and Flexible Strategy**

- 2.1 The Council's QEd/21<sup>st</sup> Century Schools Band A and B Programmes focused on:
- Learning environments for children and young people aged from 3 to 19 that will enable the successful implementation of strategies for school improvement and better educational outcomes;
  - Greater economy through better use of resources to improve the efficiency and cost-effectiveness of the education estate and public service provision; and
  - A sustainable education system with all schools meeting a 21<sup>st</sup> century schools standard and reducing the recurrent costs and carbon footprint.
- 2.2 The priority investment projects for Band A and B were identified through a range of complementary objective criteria, these have been revised and updated and a new objective assessment undertaken considering the following investment objectives:
- a. Address surplus capacity/sufficiency
  - b. Maintain or reduce revenue running costs
  - c. Maintain or improve Education provision
  - d. Maintain or improve ALN provision/alignment with ALN strategy
  - e. Positive impact on Welsh-medium, and alignment with the Welsh Education Strategic Plan (WESP)
  - f. Maintain or reduce travel times/distances
  - g. Reduce backlog maintenance
  - h. Improve condition/suitability
  - i. Supports carbon reduction
  - j. Alignment with interdependencies eg other priority areas/Local Development Plan (LDP).
  - k. Increased flexibility of assets/community use
  - l. Capital receipt
- 2.3 The robust basis of the council's programme has been repeatedly scrutinised by the WG and subject to their ultimate approval. As with any plan it is not a static document, and indeed, the whole programme has

required successive reviews in the light of the changing timescales and financial parameters for the programme. It has also continued to evolve in the light of changing demands (demographic trends and condition and business continuity issues), political priorities, capital resourcing, and fresh opportunities such as the LDP.

- 2.4 The proposed submission to the WG reflects the natural development of the previously approved long-term strategy but reflects further consideration of changes in demands and priorities. The detail of specific projects within the programme will be further developed in the light of the level of WG funding available and more detailed discussions with schools, governing bodies and other stakeholders at that time. The programme will be reviewed every three years, with years 4-6 becoming years 1-3 and so on, which will allow the programme to flex and develop in line with the needs of our learners in Swansea.

### **3.0 Outline of proposed submission**

- 3.1 The investment needs reflect the challenges remaining across our schools, despite the considerable impact already of the schools' investment programme which has seen, for example:
- Transformed learning environments supporting the positive educational standards across Swansea schools;
  - A significant reduction in backlog structural maintenance and removal of the worst structural condition needs previously identified;
  - Significant additional Welsh-medium primary and secondary places to respond to the aims of the WESP; and
  - The removal of surplus places
- 3.2 The submission reflects a consistent objective assessment and prioritisation of condition, suitability and sustainability issues as well as areas of basic need for additional provision. Consideration has also been given to the deliverability of potential options.
- 3.3 It also remains consistent with local policies, priorities and commitments, as well as the priorities and specific criteria set down by the WG for the rolling programme as follows:
- Transforming learning environments and learner experience
  - Meeting demand for school places
  - Improving condition and suitability of the education estate
  - Developing sustainable learning environments
  - Supporting the community
- 3.4 The council's submission will also need to demonstrate deliverability, particularly the nature of any statutory processes still to be undertaken and/or legal or land ownership complexities to be resolved, which might otherwise significantly delay, or place at risk, delivery of the projects.

- 3.5 The council is required to rank in order of priority the investment needs within its submission and the expectation is that this will fit with the aims and objectives of the WG. Consequently, the first challenge is to develop the strongest possible submission, consistent in both nature and ranking with the WG criteria, to gain in-principle approval to the largest possible (and affordable) share of the available national funding for the rolling programme.
- 3.6 Due to the nature of the programme, despite strategic infrastructure funding being committed over several years, the WG and the SCfL team still manage the budgets on an annual basis. As the programmes are introduced at different stages it will be incumbent upon the SCfL team to manage the programme effectively in line with the demands of individual SOPs and to smooth out any peaks or troughs of budget pressures, ensuring that funding is available to all delivery partners at whatever time they submit their new SOP.
- 3.7 The proposed submission includes.

**3.7.1 Delivering commitments within the Welsh Education Strategic Plan (WESP)**

Our vision is to increase the percentage of pupils opting for Welsh-medium education, to between 23% and 27% of Year 1 pupils by the end of the plan and apply the principles of the 15-minute neighbourhoods to ensure that all learners have access to Welsh-medium education within a reasonable distance of their homes. Our target is set out in the following table:

	2019/2020		2030/2031 Target			
			Lower Range		Upper Range	
Swansea	Number	Percent	Number	Percent	Number	Percent
	390	15.4%	590	23%	695	27%

**Welsh-medium primary places**

When we prepared our ten-year WESP, the number of Year 1 children being taught through the medium of Welsh (January 2021) was 388, representing 15.1% of that year’s cohort in Swansea and by April 2021 it was 383 – 14.9%. The admission number for our Welsh-medium primary schools in September 2021 was 495. This meant that there was capacity for an additional 107 children to be taught through the medium of Welsh in the Year 1 cohort.

We have committed to exploring opportunities for the opening of at least an additional three forms of entry (subject to capital funding and statutory consultation processes). Any new builds would consider a supporting

Mudiad Ysgolion Meithrin setting and the requirements for specialist provision to support pupils with additional learning needs.

In September 2024 the admission number for our Welsh-medium primary schools will be 499. Our proposals would deliver 137 additional Year 1 places, almost four forms of entry, taking Swansea's Welsh-Medium admission number up to 636.

During the past year we have undertaken a strategic review considering options for school organisation and investment.

With regard to Welsh-medium our work has focused on mapping our whole offer across Swansea and prioritising what can be delivered in the next decade, focussing on providing an appropriate spread of provision across the county.

The four locations that we have identified as deficient are:

- a. Gorseinon/Penllergaer
- b. Sketty/Dunvant/Killay
- c. Townhill/Mayhill/Waun Wen/Plasmarl
- d. St Thomas/Port Tennant

We have undertaken a full review of options to deliver our WESP commitments and have arrived at a series of preferred options.

In examining priorities and options for all objectives and policy areas we have appraised the impact on Welsh-medium so that the programme as a whole is consistent with the aims and objectives of the WESP.

We have considered possible short and medium-term direct impacts on Welsh medium, but also sought to consider interdependencies between clusters, and sought to avoid risking any potential future opportunities.

Pupil numbers are currently projected to fall, and so we aim to reflect that in any organisation proposals avoiding creating surplus capacity in the English-medium sector, also mindful of the impact on the English-medium sector of increased Welsh medium take up.

Any options that have a negative impact on Welsh-medium have been discounted.

### **Welsh-medium secondary places**

The increasing demand for places within primary schools will feed through to secondary schools and add to the pressures already apparent. Ysgol Gyfun Gymraeg Bryn Tawe will deliver a further 248 secondary school places, and support the complementary strategies set out in our WESP including the wider marketing strategy to promote the benefits of being bilingual, through the creation of flexible spaces enabling after-school activities, pre-school immersion, and the potential



for late comers' provision. This outcome will make the secondary offer more attractive to families considering 3-19 options and further encourage transition between primary and secondary Welsh-medium sectors.

### **3.7.2 English-medium primary provision:**

*Condition and Suitability* - Whilst Band A and B has delivered a real impact there are also a number of primary schools with a need for investment to address split sites and poor accommodation, both in terms of condition as well as poor suitability to support effective learning environments. These needs will again need to be prioritised to reflect the scale of investment funding available.

*Sustainability* - There are a number of potential opportunities to both enhance the quality of facilities available to pupils and address condition issues, as well as supporting future sustainability, through the amalgamation of neighbouring schools, subject to the availability of the necessary scale of capital investment.

A new priority has been brought forward. Clydach Primary School which is on a split site, this has been brought into scope for a possible rationalisation of sites.

### **3.7.3 English-medium secondary provision:**

*Condition and Suitability* – Band B has delivered a new build and remodelled main block for Bishopston Comprehensive School, however there is still a need for a continuing programme of replacement and remodelling works to address significant condition and suitability needs, including for the remaining Band B projects for Gowerton and Olchfa and possible new projects for Bishop Gore, Pontarddulais and Penyrheol (annex). They will need to be phased and prioritised to reflect the areas of greatest need, take account of demographic changes and the available capital investment.

### **3.7.4 Aided Sector needs:**

Bishop Vaughan Catholic School and St Joseph's Cathedral Primary School, both suitability category D schools, originally featured in the potential Band C and Band B of the programme respectively. Since the last submission, the strategy has been reviewed in conjunction with the Diocese of Menevia, and the projects reprioritised so that Bishop Vaughan Catholic School is delivered first.

There have been extensive discussions with the Diocese of Menevia, and the Bishop Vaughan Catholic School, considering options to address the significant condition, suitability and accessibility issues at the current school site and delivery options. We have now reached a position that a new build for Bishop Vaughan Catholic School on the former Daniel

James site is the preferred way forward, subject to an approved business case. Furthermore, subject to formal Cabinet approvals, it is expected that Swansea Council will support the 15% contribution to the future project, subject to the capital receipt from the sale of the existing site.

This will support the regeneration of that locality and release the existing site for development, which will in turn link with the development of the new special school build opposite the existing site, and the release of the existing Ysgol Pen-y-Bryn site.

The preferred way forward reflects national and local objectives, considering the short-term and long-term needs, risks and potential opportunities, including pupil projections, Welsh-medium strategies and impact on English-medium, current and potential changes in additional learning needs, local regeneration plans including the Penderri Regeneration Strategy, and future local developments.

Specific considerations have included wider local developments and the substantial strategic development site adjacent, and the opportunities for shared community use, integrating with the adjacent PureFootball and Treboeth AFC. We have had ongoing and extensive discussions with the school and the Diocese for many years considering options for both the secondary school and options for one of its feeder schools St. Joseph's Cathedral Primary School.

It was previously proposed to build new accommodation and facilities for St Joseph's Cathedral Primary School, addressing existing condition, suitability and business continuity issues. However, following extensive discussions over the last decade, and the absence of a suitable alternative nearby site, and the desire to retain the school in the community that it is serving, it is now proposed that the school is refurbished and remodelled on its existing site.

These two projects will be supported with the 15% contribution from the council, recognising that any land sales or other financial benefits that we can recover from the diocese would go towards this 15%.

The Diocese of Swansea and Brecon, considers Christchurch Church in Wales Primary School, also a suitability category D school, to be a high investment priority, especially given its suitability and sufficiency shortcomings.

### **3.7.5 Additional Learning Needs**

Swansea Council is currently consulting on a proposal as part of a wider review of specialist teaching provision across the local authority to:

- Amalgamate Ysgol Pen-y-Bryn and Ysgol Crug Glas from 1 September 2025 on existing sites, in order to facilitate the transition to one school when the build is completed.

- Build a new Special School for 350 pupils at Mynydd Garnllwydd Road on land close to the existing Ysgol Pen-y-Bryn site which will be ready for occupation in April 2028.

Swansea Council will determine the proposal, taking account of objections received. Cabinet may wish to approve, reject or amend the proposal on 18 April 2024.

A further 100 special school places on a new single site will reduce the number of placements in the independent sector and out of county, thus enabling the more effective allocation of funding to meet the needs of more pupils with additional learning needs and enable Specialist teaching Facilities (STFs) to target their resources more appropriately.

### **3.7.6 Wider Area Transformation:**

There are likely to be changes in population and demand presented by LDP strategic sites but this will not emerge until the sites are at least partially developed. The difficulty is to demonstrate deliverability without greater certainty regarding the timescales for such sites.

In examining options to respond to potential major strategic developments forming part of the new LDP, the following were considered;

- Planning and strategic regeneration priorities
- Planning placemaking
- Capacity of existing schools to accommodate additional pupils
- Avoidance of adding additional schools into the estate
- Schools in the right place and active travel and transport considerations
- Other benefits for example improving the condition and suitability of the education estate.

This programme includes four new school builds on LDP strategic sites in Garden Village, Penllergaer, Cefngyfelach and Pontarddulais.

## **4.0 What happens next?**

- 4.1 The Strategic Outline Programme, which must be submitted before the 31 March 2024, will be scrutinised by WG policy teams and it will take several months before the council is notified of the outcome.

## **5.0 Integrated Assessment Implications**

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

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

5.2 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'.

5.3 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.

5.4 An Integrated Impact Assessment (IIA) screening has been completed for the programme. The programme is expected to have a positive impact on school and wider communities. However, each scheme is / will be subject to an individual Integrated Impact Assessment and is / will be subject to full engagement and in some cases statutory consultation with stakeholder groups.

## **6.0 Financial Implications**

6.1 The total estimated capital cost of the submission is £416,746,197, with the total WG funding being estimated at £304,606,433 if approved, and the local funding contribution being estimated at £112,139,764.

6.2 The local funding contribution is estimated for the full nine year rolling programme and the first three years of that represents the remaining projects from Band B for which the revised local funding contribution was agreed in principle by Cabinet in September 2023.

6.3 The estimated local funding contribution will be made up of a combination of sources including developer contributions, capital receipts, voluntary aided contributions and prudential borrowing.

- 6.4 Whilst this report is seeking to endorse the proposed future capital investment priorities for the Sustainable Communities for Learning Strategic Outline Programme (Rolling), there is no absolute commitment to the funding on either Council or WG as it is approved in due course on a case-by-case basis even if the SOP is otherwise approved by both Council or WG.
- 6.5 The final approval of any capital allocation from the WG will be subject to the submission of further detailed business cases in respect of each specific scheme in accordance with an agreed phased programme for submissions
- 6.6 Cost estimates are in most cases based on the WG cost and size standards, applying the rate for the year when it is expected projects will be tendered. No allowance for inflation has been made for projects due to be tendered after 2028, but optimism bias (OB) has been applied based on HM Treasury guidance at 24 and 51% for new build and refurbishment/remodelling projects respectively.
- 6.7 The exceptions to this are YGG Bryn Tawe that has an approved SOC/OBC, the special schools project that has an approved SOC, and the Gowerton School project for which we anticipate we will be submitting a SOC next summer, which all have more refined cost plans and OB assessments in line with the WG assessment tool.
- 6.8 The development of business cases will continue to ensure that the efficiency and effectiveness of the programme is maximised, designing schools between the minimum and maximum of Building Bulletin guidance ranges. The levels of optimism bias will be reduced as project intelligence is increased and cost plans refined.
- 6.9 The submission of an updated Strategic Outline Programme does not commit the council to the indicative funding contributions set out above since the final approval of any capital allocation from the WG will be subject to the submission of further detailed business cases in respect of each specific scheme. If the Strategic Outline Programme is approved, the Authority will then have an approved programme subject to further Welsh Government approvals. Further reports will come to Cabinet at each stage of the process, which will include developed cost plans for each scheme following feasibility and detailed design.
- 6.10 Every opportunity will be taken to realise capital receipts and developer contributions towards the required local capital contribution, however, there will remain a significant local funding requirement which will fall to additional prudential borrowing (estimated at £75,672,020) should the full submission be approved by the WG). This submission includes two projects affecting voluntary aided schools that fall under the Roman Catholic Diocese of Menevia. It is proposed that Swansea Council provides the 15% contribution, subject to the contribution of the proceeds of the sale of any existing sites.

- 6.11 The proposed submission, even if curtailed in some way by the level of funding made available to the council by the Welsh Government, raises expectations as to the scale of the future programme to be delivered and funded. The proposals include explicit assumptions in relation to capital receipts generally and also the potential impact of the LDP. Shortfalls in those receipts or delays in disposal will add to unsupported borrowing at least in the short term. Even if progressed as fully assumed it also raises the expectation of significant future unsupported borrowing which will need to be programmed in and fully factored into future revenue budgets and medium-term revenue planning.
- 6.12 Some of the priorities will require statutory consultation, and catchment area reviews. These will be the subject of separate Cabinet reports.

## **7.0 Legal Implications**

- 7.1 The various proposals will necessitate the legal implications to be reviewed and updated on a regular basis. Education, Highways, Planning, Property and Contracts/Procurement legal advice will need to be obtained as the proposals progress and more detail is available.
- 7.2 The establishment, alteration or discontinuance of maintained schools requires consultation and the publication of statutory notices in accordance with Chapter 2 and Schedule 2, of the School Standards and Organisation (Wales) Act 2013 (“the Act”) and the Welsh Government’s School Organisation Code (Circular 011/2018;) (the Code). The Code provides statutory guidance that a local authority must follow when seeking to make school organisation proposals, to education provision within a local authority area.
- 7.3 Catchment areas form part of the Local Authority’s (LA’s) admission arrangements. Where a Local Authority (LA) propose to revise the catchment areas for an existing school, the LA must publish and consult on those proposals in the same way as any other admission arrangements. The Local Authority must have regard to Section 89 of the School Standards and Framework Act 1998, the Education (Determination of Admission Arrangements) (Wales) Regulations 2006, and the Welsh Government’s Admissions Code (Circular 005/2013). These require Admission Authorities to consult and determine school admission arrangements annually. The Regulations set a timescale for the consultation and determination of admission arrangements.
- 7.4 Any offer of grant funding from the Welsh Government will be subject to terms and conditions which will be binding upon the Local Authority.

**Background Papers:**

- School Standards and Organisation (Wales) Act 2013;
- The Welsh Government's "School Organisation Code" Circular 011/2018; School Standards and Framework Act 1998, the Education Determination of Admission Arrangements) (Wales) Regulations 2006; Welsh Government's Admissions Code (Circular 005/2013)
- Cabinet report 20 July 2017 Quality in Education (QEd) – Emerging Proposals and Investment Priorities for the next band of the 21st Century Schools Programme
- Cabinet report 21 September 2023 Quality in Education (QEd) / The Sustainable Communities for Learning Strategic Outline Programme - Band B

**Appendices:**

Appendix A: An overview of the long-term Quality in Education strategy

Appendix B: IIA form

QUALITY IN EDUCATION/SUSTAINABLE COMMUNITIES FOR LEARNING ROLLING PROGRAMME - DELIVERING THE LONG TERM STRATEGY - AN OVERVIEW (APPENDIX A)			
STRATEGIC PRIORITY AREA	Years 1-3	Years 4-6	Years 7-9
<b>DELIVERING WELSH EDUCATION STRATEGIC PLAN (WESP) COMMITMENTS</b>			
Our vision is to increase the percentage of pupils opting for Welsh medium education, to between 23% and 27% of Year 1 pupils by the end of the plan and apply the principles of the 15-minute neighbourhoods to ensure that all learners have access to Welsh-medium education within a reasonable distance of their homes. The 2030/31 target is to increase the number of Year 1 pupils by the end of the plan to between 590 and 650.	Provision of an additional 188 Welsh medium secondary places at Ysgol Gyfun Gymraeg Bryn Tawe, and an opportunity through the further Welsh medium grant to provide a further 60 additional places, and enhancements to secure better linguistic continuity/progression for pupils throughout their 3-19 education. Further expand capacity and facilities at existing primary schools to maintain a balance of places and demand in the light of the development of LDP strategic sites including the establishment of additional primary school(s). Consideration of catchment review for YGG Pontybrenin	Further expand capacity and facilities at existing primary schools to maintain a balance of places and demand in the light of the development of LDP strategic sites including the establishment of additional primary school(s).	Further expand capacity and facilities at existing primary schools to maintain a balance of places and demand in the light of the development of LDP strategic sites and address condition and suitability needs for YGG Bryn y Mor. Establishment of additional primary school(s). Consideration of the business case for establishing a third Welsh medium secondary school.
<b>CONTINUING PROGRAMME OF RATIONALISATION, REPLACEMENT AND REMODELLING WORKS AT ENGLISH MEDIUM PRIMARY SCHOOLS TO ADDRESS GREATEST CONDITION, SUITABILITY AND SUSTAINABILITY ISSUES</b>			
Continue to build on the significant impact of Bands A and B investment to focus on schools with particular condition and suitability deficiencies including split sites, priority category C condition needs and sustainability and sufficiency issues. These needs will be prioritised to reflect the scale of investment funding available and focus on the areas of greatest need.	A new priority has been brought forward. Clydach Primary School which is on a split site, this has been brought into scope for a possible rationalisation of sites.	Further investment to address remaining condition and suitability needs across primary schools - could include Portmead, Blaenymaes, Brynhyfryd and Dunvant primary schools.	Addressing those remaining priority investment needs focussing on schools with condition and suitability deficiencies, potentially including split sites, priority category C condition needs and sustainability and sufficiency issues. Major LDP strategic site developments will offer the potential to enhance and transform educational facilities for both primary and secondary schools.
<b>CONTINUING PHASED PROGRAMME OF REPLACEMENT AND REMODELLING WORKS AT ENGLISH MEDIUM SECONDARY SCHOOLS TO MEET GREATEST CONDITION AND SUITABILITY NEEDS</b>			
Continue to improve the suitability of the learning environment with particular emphasis condition and suitability needs, removal of serious deficiencies in the current facilities, and the removal of business continuity risks - through a phased programme of replacement and remodelling works to address the areas of greatest need.	Gowerton School part new build including replacing substandard demountables and addressing condition, suitability and accessibility.	A new block for Olchfa School replacing substandard demountables.	Wider investment to address remaining needs across secondary schools - could include Bishop Gore, Penyrheol and Pontarddulais secondary schools.



QUALITY IN EDUCATION/SUSTAINABLE COMMUNITIES FOR LEARNING ROLLING PROGRAMME - DELIVERING THE LONG TERM STRATEGY - AN OVERVIEW (APPENDIX A)			
STRATEGIC PRIORITY AREA	Years 1-3	Years 4-6	Years 7-9
<b>AIDED SECTOR PRIORITIES TO ADDRESS GREATEST CONDITION AND SUITABILITY ISSUES - DEPENDENT ON DIOCESAN 15% CONTRIBUTION OR DELIVERY THROUGH MUTUAL INVESTMENT MODEL</b>			
Continuing to work with the Diocese' to address priority condition and suitability issues .	New build for Bishop Vaughan Catholic School and investment in St Joseph's Cathedral Primary School to address condition and suitability needs.		A potential new build for Christchurch Church-in-Wales Primary School to address suitability and sufficiency.
<b>ADDITIONAL LEARNING NEEDS</b>			
Enhancing the continuum of provision within Swansea to meet the needs of all pupils through a coherent development of mainstream provision within schools, specialist teaching facilities, and special schools provision.	A further 100 special school places on a new single site which will reduce the number of placements in the independent sector and out of county, thus enabling the more effective allocation of funding to meet the needs of more pupils with additional learning needs and enable Specialist teaching Facilities (STFs) to target their resources more appropriately. Subject to the outcome of the statutory consultation process. Ysgol Gyfun Gymraeg Bryn Tawe – expansion of the STF provision offer for the Welsh-medium secondary sector. Gowerton School - will consider any requirements arising from the proposed changes to its designation to meet Social Communication Needs (SCN).	Olchfa School - will consider any requirements arising from the proposed changes to its designation to meet Severe Learning Needs (SLD) needs. The investment in primary schools and new builds arising through LDP strategic developments will continue to consider the needs arising to deliver the future model for STFs.	The investment in primary/secondary schools and new builds arising through LDP strategic developments will continue to consider the needs arising to deliver the future model for STFs.
<b>WIDER AREA TRANSFORMATION - ADDRESSING PRIORITY CONDITION, SUITABILITY AND SUFFICIENCY NEEDS THROUGH THE DELIVERY OF LDP STRATEGIC SITES</b>			
Responding to the challenges and opportunities presented by the Local Development Plan strategy and demographic trends and ensuring appropriate nature and scale of educational provision across Swansea, particularly reflecting the impact of the major strategic sites with significant potential housing dwellings.	Responding to the LDP strategic sites as they are brought forward. This programme includes four new school builds on LDP strategic sites in Garden Village, Penllergaer, Cefngyfelach and Pontarddulais. This will include the exploration of options to further increase Welsh medium places where appropriate.	Continued response to the LDP strategic sites as they are brought forward. This will include the exploration of options to further increase Welsh medium places where appropriate.	Continued response to the LDP strategic sites as they are brought forward. Continuing to monitor the impact of demographic trends and the strategic LDP site developments on the need for school places. Continuing to address wider condition and suitability needs across schools.

# Integrated Impact Assessment Screening Form – Appendix B

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

## Which service area and directorate are you from?

Service Area: Education Planning and Resources

Directorate: Education

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

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

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

#### Sustainable Communities for Learning Programme: Future Proposals and Investment Priorities

The Council is currently determining the future proposals and investment priorities for the Sustainable Communities for Learning Programme, for submission to the Welsh Government.

Band B of the Programme formerly known as the 21<sup>st</sup> Century Schools Programme is due to end on the 31 March 2024, by which time authorities must submit a nine-year capital programme, including an indicative funding forecast for the 9 years, for consideration towards providing a commitment and support for the first 3 years along with in-principle support for years 4, 5 and 6. Years 7 to 9 are intended to reflect the longer-term project pipeline.

The remaining Band B projects will be included in the first three years of the nine-year capital programme.

The submission must include any changes to the strategy previously set out in Swansea's Strategic Outline Programme and the Council's future investment priorities, demonstrating how these link to local and national priorities such as the Wellbeing of Future Generations (Wales) Act, Welsh medium, and childcare strategies.

If approved each of the investment priorities will be subject to detailed business case development, full Integrated Impact Assessments, Welsh language impact assessments, further Welsh Government approvals, together with separate reports to Cabinet for decision. Some of the priorities may require statutory consultation and catchment area reviews. These will be the subject of separate Cabinet reports.

## Integrated Impact Assessment Screening Form – Appendix B

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

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

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

The programme is a long term, evolving and flexible strategy, that was initially subject to an extensive stakeholder engagement process in 2008, since then stakeholders have been actively engaged as potential projects have been brought forward. Where proposals contained in the rolling programme are more developed relevant stakeholders have already been engaged at the early stages.

Any project taken forward as a result of the programme's implementation will be subject to engagement and co-construction with all stakeholders including governing bodies, staff, pupils, parents and carers and community groups as appropriate.

Some projects may require a statutory consultation.

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

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?  
 Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
 Yes  No
- c) Does the initiative apply each of the five ways of working?  
 Yes  No

## Integrated Impact Assessment Screening Form – Appendix B

d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?

Yes  No

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

High risk

Medium risk

Low risk

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

Yes  No If yes, please provide details below

The Programme could impact on a number of other council services as we develop school assets that might be used for other service needs. This impact will be determined as the individual projects are developed.

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

Yes  No If yes, please provide details below

The programme and projects are detailed on the relevant website pages; [Quality in Education \(QEd\) - Swansea](#)

**Q8** Does the initiative involve changes to the way you process the personal data of Council staff or service users, for example the purchase of new customer management software?

Yes  No

If your answer is yes, you should also screen the initiative for any implications regarding privacy and other GDPR rights and consider whether you need to amend your entry in the Council's Information Asset Register. Please use the following link to the online screening form for a Data Protection Impact Assessment <https://staffnet.swansea.gov.uk/dpiascreeing>

For more about the Information Asset Register, please see <https://staffnet.swansea.gov.uk/informationassetregister>

**Q9** What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?

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

The cumulative impact of the programme on schools, people and communities is highly positive.

The programme is a development of Band B, and reflects the national Sustainable Communities for Learning Investment Objectives;

- Transforming learning environments and learner experience
- Meeting demand for school places
- Improving condition and suitability of the education estate

## Integrated Impact Assessment Screening Form – Appendix B

- Developing sustainable learning environments
- Supporting the community

It will improve education, training and employment opportunities, providing equality and fully accessible provision for pupils, alignment with the aims of the Welsh in Education Strategic Plan (WESP) 2022-2032, and with a focus on biodiversity and aspiration to be net zero operational carbon.

Additional jobs will be created throughout the building work (including opportunities for those out of work through Swansea Council's Beyond Bricks and Mortar initiative).

The programme reflects the wider Additional Learning Needs (ALN) Strategy to provide equality of opportunity to all learners and support and enhance learner wellbeing and mental health through access to health and support services. The equality of quality provision for learners will help to enable more of them to find employment in the future.

Projects will include where practical and appropriate a range of support services accessible in one place and will improve access to health and community activities that will enhance learner wellbeing and mental health enabling them to find employment in the future.

The programme will support the Council's Childcare Strategy that has already delivered 18 Flying Start settings in schools, which has also provided the opportunity to achieve effective transition into the Foundation Phase.

The programme will also provide the potential for increased flexibility of assets and community use, and also impact on travel and active travel opportunities, to better support our communities.

---

### Outcome of Screening

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

- **Summary of impacts identified and mitigation needed (Q2)**

All of the impacts are positive. As each project is developed, we will continue to work with all stakeholders to seek to maximise the benefits and positive impacts on our communities.

- **Summary of involvement (Q3)**

The programme is a long term, evolving and flexible strategy, that was initially subject to an extensive stakeholder engagement process in 2008, since then stakeholders have been actively engaged as potential projects have been brought forward. Where proposals contained in the rolling programme are more developed relevant stakeholders have already been engaged at the early stages.

Any project taken forward as a result of the programme's implementation will be subject to engagement and co-construction with all stakeholders including governing bodies, staff, pupils, parents and carers and community groups as appropriate.

Some projects may require a statutory consultation.

- **WFG considerations (Q4)**

The seven national well-being goals and five ways of working are embedded in the project management arrangements.

## Integrated Impact Assessment Screening Form – Appendix B

All projects will continue to be developed to consider the wider impacts, and opportunities for collaboration with other services and organisations such as Social Services, Cultural Services, Health and Housing.

Projects will be developed to consider the current needs but also to provide flexibility to provide for future generations.

- **Any risks identified (Q5)**

Programme risks are summarised below;

Risk	Mitigation
Welsh Government alter the proportion of cost they will fund	Monitor. Ensure the programme is suitably prioritised. Slow the programme delivery.
Budgetary constraints within Swansea Council / Welsh Government impacts upon the timing or availability of funds	Monitor. Ensure the programme is suitably prioritised. Slow the programme delivery.
Negative reaction by local community / other stakeholders	Implement comprehensive stakeholder engagement at the appropriate time.
Change of priorities driven by political pressures	Maintain a regular conversation with the political leaders.
Unforeseen costs lead to costs exceeding the budgetary allowances	Costs assessed based on WG cost standard with appropriate level of optimism bias (OB) applied. Ensure the programme is suitably prioritised. Slow the programme delivery
Increases in inflation rates lead to costs exceeding the budgetary allowances	Costs assessed based on WG cost standard with appropriate level of optimism bias (OB) applied, and inflationary allowances to 2028. Ensure the programme is suitably prioritised. Slow the programme delivery
Projects are delayed / fail as a consequence of statutory consultation processes	Implement comprehensive stakeholder engagement at the appropriate time. Project plans allow for timely consultation, considering the political calendar.
There is likely to be an impact as a result of additional WM places on EM.	Assessment and incorporation in business cases, and ongoing monitoring.
If we do not effectively resource tasks and workstreams around our updated Strategic Outline Programme and business cases, then we risk undermining its delivery and also our opportunities through Local Development Plan.	Resourcing options and funding under regular review.
If there is insufficient capacity within the construction industry to deliver the scale of capital investment required, then delivery will be delayed.	Work closely with the industry and frameworks.

## Integrated Impact Assessment Screening Form – Appendix B

If the Education contributions requested through the LDP are not delivered the authority will have to address the shortfall / mismatch of pupil places.	Continue to work closely with planning and respond to consultations robustly and in good time. (Education responded to Swansea Local Development Plan Draft Review Report consultation 18/04/2023).
If we are unable to gain approval to detailed business cases and timely access to the funding approved in principle by Welsh Government, and Swansea Council funding, Then the investment in schools capital will not address all the identified priority needs. This would in turn impact on other Education strategies, policies and duties eg delivery of the WESP, planning of school places etc.	Continue to develop and submit robust business cases.

### • Cumulative impact (Q9)

The cumulative impact of the programme on schools, people and communities is high positive.

The programme is a development of Band B, and reflects the national Sustainable Communities for Learning Investment Objectives;

- Transforming learning environments and learner experience
- Meeting demand for school places
- Improving condition and suitability of the education estate
- Developing sustainable learning environments
- Supporting the community

It will improve education, training and employment opportunities, providing equality and fully accessible provision for pupils, alignment with the aims of the WESP, and with a focus on biodiversity and aspiration to be net zero operational carbon.

Additional jobs will be created throughout the build (including opportunities for those out of work through Swansea Council’s Beyond Bricks and Mortar initiative).

The programme reflects the wider Additional Learning Needs (ALN) Strategy to provide equality of opportunity to all learners and support and enhance learner wellbeing and mental health through access to health and support services. The equality of quality provision for learners will help to enable more of them to find employment in the future.

Projects will include where practical and appropriate a range of support services accessible in one place and will improve access to health and community activities that will enhance learner wellbeing and mental health enabling them to them to find employment in the future.

The programme will support the Council’s Childcare Strategy that has already delivered 18 Flying Start settings in schools, which has also provided the opportunity to achieve effective transition into the Foundation Phase.

The programme will also provide the potential for increased flexibility of assets and community use, and also impact on travel and active travel opportunities, to better support our communities.

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

## Integrated Impact Assessment Screening Form – Appendix B

Full IIA to be completed

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

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

<b>Screening completed by:</b>
<b>Name: Louise Herbert-Evans</b>
<b>Job title: Team Manager Capital</b>
<b>Date: 30/11/2023</b>

<b>Approval by Head of Service:</b>
<b>Name: Kelly Small</b>
<b>Position: Head of Education Planning and Resources</b>
<b>Date: 11/12/2023</b>

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



# Agenda Item 16.



## Report of the Local Authority Governor Appointment Group

Cabinet – 15 February 2024

### Local Authority Governor Appointments

<b>Purpose:</b>	To approve the nominations submitted to fill Local Authority Governor vacancies in School Governing Bodies
<b>Policy Framework:</b>	Local Authority (LA) Governor Appointments Procedure (Adopted by Council on 26 October 2017)
<b>Consultation:</b>	Access to Services, Finance, Legal
<b>Recommendation(s):</b>	It is recommended that:  1) The nominations recommended by the Director of Education in conjunction with the Cabinet Member for Education & Learning be approved.
<b>Report Author:</b>	Agnes Majewska
<b>Finance Officer:</b>	Aimee Dyer
<b>Legal Officers:</b>	Stephanie Williams
<b>Access to Services Officer:</b>	Catherine Window

#### 1.0 The nominations referred for approval

1.1 The nominations are recommended for approval as follows:

1. Gendros Primary	Mrs Kathryn David
2. YGG Gellionen	Mr Ian Tolley
3. Bishopston Comprehensive	Mrs Joanne Meller

#### 2.0 Financial Implications

2.1 There are no financial implications for the appointments; all costs will be met from existing budgets.

### **3.0 Legal Implications**

3.1 There are no legal implications associated with this report.

### **4.0 Integrated Assessment Implications**

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

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

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

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

4.2 Following the completion of the IIA process it has been identified there are no negative impacts and a full IIA is not required.

4.3 There is no need for mitigation as impacts that have been identified are not negative impacts. The panel choose Governors, no public consultation is required. In order for schools to run effectively they need to have effective Governing Bodies, this appointment supports this.

**Background papers:** None

**Appendices:**

Appendix A - Integrated Impact Assessment Form

# Integrated Impact Assessment Screening Form – Appendix A

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

## Which service area and directorate are you from?

Service Area: Achievement and Partnership

Directorate: Education

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

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

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

Appointing Local Authority governors to schools in Swansea

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

	High Impact		Medium Impact		Low Impact		Needs further investigation
	+	-	+	-	+	-	
Children/young people (0-18)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Race (including refugees)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Religion or (non-)belief	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Welsh Language	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Integrated Impact Assessment Screening Form – Appendix A

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

This activity does not require consultation.

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

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

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

High risk

Medium risk

Low risk

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

Yes

No

If yes, please provide details below

- 
- Q7** What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?  
(*You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.*)

In order for schools to run effectively they need to have effective Governing Bodies.

# Integrated Impact Assessment Screening Form – Appendix A

## Outcome of Screening

**Q8 Please describe the outcome of your screening below:**

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

We have identified high impact on children and young people because it is in school environment and Governors are appointed to those school. Race, Religion and Welsh language have been also identified as high impact because we have some religious and welsh language schools. There is no need for mitigation as impacts that have been identified are positive. The panel choose governors and no public consultation is required. In order for schools to run effectively they need to have effective governing bodies, this appointment process supports this.

(NB: This summary paragraph should be used in the relevant section of corporate report)

Full IIA to be completed

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

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

<b>Screening completed by:</b>
<b>Name: Gemma Wynne</b>
<b>Job title: Governor Support Officer</b>
<b>Date: 08/09/23</b>
<b>Approval by Head of Service:</b>
<b>Name: Rhodri Jones</b>
<b>Position: Head of Achievement and Partnership</b>
<b>Date: 08/09/23</b>

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

# Agenda Item 17.



## Report of the Cabinet Member for Environment & Infrastructure

Cabinet - 15 February 2024

### Contract Award Report - Contracts for Local Bus Services

<b>Purpose:</b>	This report details the outcome of recent tenders for Local Bus Services and seeks approval to award contracts.
<b>Policy Framework:</b>	Joint Transport Plan for South West Wales (2015-2020)
<b>Consultation:</b>	Legal, Finance, Commercial Services and Access to Services.
<b>Recommendation(s):</b>	It is recommended that:  1) The tender prices recommended by the Tender Evaluation Panel and set out in Schedule B be accepted as representing the Most Economically Advantageous Tenders.  2) Contracts be awarded to the companies as set out in Schedule B.
<b>Report Author:</b>	Barrie Gilbert
<b>Finance Officer:</b>	Jeff Dong
<b>Legal Officer:</b>	Debbie Smith
<b>Access to Services Officer:</b>	Rhian Millar

#### 1.0 Introduction

1.1 The Welsh Government has provided additional funding for local bus services post-Covid, initially through its Bus Emergency Scheme and then, from 25<sup>th</sup> July 2023, the Bus Transition Fund. A successor Fund is to be introduced from 1<sup>st</sup> April 2024. However, Local Authorities have already been advised of the available funding for the 2024/2025 Financial Year.

- 1.2 The Welsh Government has stipulated that any local bus service that continues to require this funding must be underpinned by a Local Authority contract from this date. Therefore, local bus operators have been asked to:
- i. identify which services they can continue operating purely on a commercial basis, i.e. without the additional funding, and
  - ii. which services they deem to not be commercially viable because passenger numbers and revenues are still at lower levels than pre-Covid.

The Council has therefore invited tenders for the continued operation of the services which are deemed to not be commercially viable.

- 1.3 The Council's contracts for socially necessary local bus services were due to be re-tendered from 1<sup>st</sup> August 2024. All of these require the additional Welsh Government funding. Therefore, the opportunity has been taken to also re-tender these contracts from 1<sup>st</sup> April 2024 to ensure that sufficient funding from the Welsh Government's successor Fund is available to continue to support them.

- 1.4 The proposals for replacement contracts include 36 Lots in total. 26 of the lots (numbered 1 to 26 inc) relate to the Council's socially necessary local bus service contracts and the other 10 (numbered 51 to 60 inc) relate to the services that local bus operators have deemed to no longer be commercially viable.

Within the 36 lots, there are a number of timetable options, which means that not all of the lots will be let.

A summary of the lots being offered for tender is detailed in Schedule A.

- 1.5 The new contracts are to be let from 1<sup>st</sup> April 2024 and shall terminate on 31<sup>st</sup> March 2028. Contracts for all lots may be extended for a further period of up to 12 months. The Welsh Government intends to legislate to franchise local bus services, implementing the new procurement mechanism across Wales on a regional basis from 2026 onwards. Therefore, if the local bus services in the City & County of Swansea are franchised whilst the new contracts are still in place, the Council can terminate them either in whole or in part by serving 98 days' notice on contractors.
- 1.6 The estimated value of the new contracts is approximately £3,844,595.24 per annum and approximately £21,243,815.60 over their maximum 60 months term. Cabinet approval is therefore sought to award these contracts.

## **2.0 Procurement Process**

- 2.1 The estimated value of the new contracts over their term exceeds the European Union threshold under the Public Contract Regulations 2015.

The contracts were advertised in the Official Journal of the European Union (OJEU) via Sell2Wales.

2.2 The 'open' procedure was selected.

2.3 The Invitation to Tender (ITT) was issued on 28<sup>th</sup> November 2023 to Public Service Vehicle (PSV) Operators via the eTenderWales Portal.

### **3.0 Tenders Received**

3.1 Three companies submitted tenders by the return date of 3<sup>rd</sup> January 2024.

3.2 The tenders were opened by Commercial Services in accordance with Contract Procedure Rules.

### **4.0 Evaluation**

4.1 Tenders were evaluated by two Officers from the Integrated Transport Unit.

4.2 All tenderers submitted compliant tenders.

4.3 The evaluation of the tenders received was undertaken in accordance with the criteria set out in the Invitation to Tender documents as a two stage process.

4.4 The Council ranked tenderers for each Lot on the basis of 20% Quality and 80% Price.

4.5 At stage one of the process, the Council undertook a Quality evaluation to ensure tenderers were able to demonstrate a minimum understanding of key operational requirements. The Quality evaluation was based on the assessment of seven Method Statement questions, as follows:

- Support Structure
- Staff Training and Competence (two questions)
- Vehicle Resources and Maintenance (four questions)
- Supervision of Staff
- Passenger Issues
- Management Reporting and Performance Management
- Emergency and Inclement Weather Operating Procedures

4.6 Tenderers were required to achieve a minimum score of three from the maximum five marks available for each method statement question in order to proceed to the Price evaluation. Tenderers failing to achieve the minimum score for each question would be rejected.

4.7 At stage two of the process, tenderers who achieved the required marks in the Quality evaluation proceeded to the Price evaluation.



4.8 For each Lot, the lowest tender price received was allocated the maximum score of 80. The remaining tender prices were scored downwards according to their relationship with the lowest price. These were then added to the Quality scores (out of 20) to achieve a total score out of 100.

## **5.0 Outcome of Evaluation**

5.1 29 contracts are to be awarded as individual Lots. 22 relate to the Council's socially necessary local bus service contracts and the other seven to the services that local bus operators have deemed to no longer be commercially viable.

5.2 The summary of scores for the individual lots being recommended for acceptance is detailed in Schedule B.

## **6.0 Integrated Assessment Implications**

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

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

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

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

6.4 An Integrated Impact Assessment Screening Form was completed for the re-tendering exercise, with the agreed outcome that a full Integrated Impact Assessment report is not required. This is because all of the

current contracts are to be re-let due to a statutory obligation. The Screening Form is shown as Appendix C.

## **7.0 Financial Implications**

- 7.1 The cost of the tender prices recommended for acceptance is £3,844,595.24 per annum or £21,243,815.60 over their maximum five year term. This makes provision for indexation of contract prices at an estimated 5% per annum from April 2025 onwards.
- 7.2 The contracts are being funded from three revenue budgets:
- a. The Council's Transport Support Budget of £1,380,600.00 per annum, where £1,080,600.00 applies.
  - b. The Council's Park & Ride Bus Service Budget of £248,900.00 per annum in its entirety.
  - c. The Welsh Government's successor to the Bus Transition Fund. Swansea Council acts as the Lead Authority for the South West Wales Region for financial matters and is receiving £10,058,100.00 from the Welsh Government's successor Fund for the 2024/2025 Financial Year. The funding is being shared between the four South West Wales Local Authorities, who are also tendering / re-tendering local bus contracts from 1<sup>st</sup> April 2024. There is sufficient funding from this Fund for Swansea Council to meet the balance of the additional costs of £2,515,095.24 for the contracts being let.

## **8.0 Procurement and Legal Implications**

- 8.1 The Responsible Officer is satisfied that the tender process has been undertaken in compliance with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules, and recommends approval in accordance with those Rules.
- 8.2 The contracts are to be prepared by Legal, Democratic Services and Business Intelligence using the Council's Standard Terms and Conditions for Transport Services. All contractual liabilities / obligations will be covered by the contract documentation.

**Background Papers:** None

### **Appendices:**

Schedule A - Details of Individual Lots being offered for tender

Schedule B - Summary of scores of Individual Lots being recommended for acceptance

Schedule C - Equalities Impact Assessment Screening Form

## Contracts for Local Bus Services

Tender Reference Number: CCS/23/275 (PT 24-29)

## Details of Individual Lots being offered for tender

Lot Numbers	Service No(s) and Times of Operation
1	3A, City Centre to Mumbles, Sunday Evenings
2	4A, City Centre to Morriston Hospital, Sunday Evenings
3	5, City Centre to Cwmdonkin, 49, City Centre to North Hill & 54, City Centre to Parc Llewellyn, Weekday Daytime
4	6, City Centre to Port Tennant & 16, City Centre to Penclawdd, Sunday Daytime
5	6, City Centre to Port Tennant & 20, City Centre to Derlwyn, Sunday Evenings
6	7, City Centre to Marina & Maritime Quarter, Weekday Daytime
7	12, City Centre to Townhill & 25, City Centre to Blaen-y-Maes, Sunday Evenings
8	14, City Centre to Pennard, Weekday Evenings
9	14, City Centre to Pennard, Sunday Daytime
10	15, City Centre to Gowerton & 30, City Centre to Trallwn, Monday to Friday Daytime
11	16, Swansea to Pontarddulais, Weekday Evenings
12	24, City Centre to Morriston Hospital, Weekday Daytime
13	24 & 35, City Centre to Morriston Hospital, Weekday Daytime
14	28, City Centre to Penplas, Weekday Evenings
15	31, City Centre to Morriston, Sunday Evenings
16	35, City Centre to Llangyfelach, Weekday Daytime
17	36, City Centre to Morriston, Sunday Evenings
18	41 & 42, Clase to University, Weekday Early Mornings
19	43, City Centre to Morriston Hospital & 54, City Centre to Parc Llewellyn, Weekday Daytime
20	45, City Centre to Morriston Hospital, Weekday Daytime
21	46, Morriston to Gorseinon area, Weekday Daytime
22	111, Swansea to Llanelli, Weekday Evenings
23	111, Swansea to Loughor, Sunday Evenings
24	115, 116, 117, 118 & 119, Swansea to North & South Gower, Weekday Daytime
25	115, 117, 118 & 119, Swansea to South Gower, Weekday Daytime
26	116, Swansea to North Gower, Weekday Daytime
51	6, City Centre to Port Tennant & 20, City Centre to Derlwyn, Weekday Evenings
52	14, City Centre to Pennard, Weekday Daytime
53	16, Swansea to Pontarddulais, Weekday Daytime

54	31, City Centre to Morrision & 33, City Centre to Trallwn, Weekday Daytime & Evenings
55	31 & 36, City Centre to Morrision, Sunday Daytime
56	31 & 36, City Centre to Morrision, Sunday Daytime
57	34, City Centre to Enterprise Park, 51, City Centre to Fabian Way P&R & 52, City Centre to Landore, Weekday Daytime
58	7, City Centre to Maritime Quarter & 16, Swansea to Pontarddulais, Weekday Daytime
59	14, City Centre to Pennard, Weekday Daytime & Evenings
60	3A, City Centre to Mumbles, Weekday Evenings

## Contracts for Local Bus Services

Tender Reference Number: CCS/23/275 (PT 24-29)

## Summary of scores of Individual Lots being recommended for acceptance

Lot Numbers	Tenderer Numbers	Scores	Annual Contract Rates (£)
1	2	100	14,570.08
2	2	100	11,159.68
3	3	100	68,544.00
4	1	100	17,615.36
5	1	100	13,600.16
6	1	100	80,055.72
7	1	100	11,791.92
9	2	100	23,395.12
10	3	100	69,291.20
11	1	100	122,412.24
12	1	100	198,667.44
14	2	100	43,455.06
15	2	100	7,720.72
16	2	100	103,247.46
17	1	100	12,715.92
18	1	100	17,757.18
19	2	100	328,120.74
20	2	100	195,154.56
21	3	100	106,870.50
22	1	100	96,876.54
23	1	100	15,494.64
24	2	100	1,075,400.28
51	1	100	50,838.84
54	1	100	244,423.62
55	1	100	67,989.04
57	1	100	569,707.74
58	1	100	73,222.74
59	1	100	159,453.54
60	1	100	45,043.20

Lot Numbers 8, 13, 25, 26, 52, 53 and 56 are not being let. This is because they constitute timetable variations to other lots in the tendering exercise, which are being let instead.

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

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

Service Area: Highways & Transportation

Directorate: Place

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

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

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

This exercise is the re-tendering of a large tranche of contracts for local bus contracts. All of the contracts continue to require the additional funding that the Welsh Government has been providing for local bus services post-Covid. The Welsh Government has stipulated that any local bus service that continues to require the additional funding must now be underpinned by a Local Authority contract.

The contracts cover services that are historically funded by the Council as being socially necessary, plus a number that bus operators have recently notified the Council that they cannot continue to provide without the Welsh Government’s additional funding. The new contracts are to be let from 1<sup>st</sup> April 2024 for a maximum term of five years. Per annum, the Council is providing funding in the region of £1.3m and the Welsh Government in the region of £2.7m. There is sufficient funding to let all of the new contracts and the existing local bus network will therefore be maintained.

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

	High Impact		Medium Impact		Low Impact		Needs further Investigation	No Impact
	+	-	+	-	+	-		
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Race (including refugees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X
Human Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>

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

There is sufficient funding to let all of the new contracts and the existing local bus network will therefore be maintained from 1<sup>st</sup> April 2024. However, the Council will continue to engage with bus users (through general correspondence and complaints received) and the bus companies to try to continually improve services.

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

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

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

High risk <input type="checkbox"/>	Medium risk <input type="checkbox"/>	Low risk X
---------------------------------------	---	---------------

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

Yes                      X No                      If yes, please provide details below

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

Yes                      X No                      If yes, please provide details below

**Q8 Does the initiative involve changes to the way you process the personal data of Council staff or service users, for example the purchase of new customer management software?**

Yes                      X No

If your answer is yes, you should also screen the initiative for any implications regarding privacy and other GDPR rights and consider whether you need to amend your entry in the Council’s

Information Asset Register. Please use the following link to the online screening form for a Data Protection Impact Assessment <https://staffnet.swansea.gov.uk/dpiascreening>  
 For more about the Information Asset Register, please see <https://staffnet.swansea.gov.uk/informationassetregister>

**Q9 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

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

There is sufficient funding to let all of the new contracts and the existing local bus network will be maintained from 1<sup>st</sup> April 2024. Therefore, the initiative will not directly have any adverse effect on people and / or communities.

**Outcome of Screening**

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

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q9)**

Most of the impacts are either Low Impact or No Impact.

There is sufficient funding to let all of the new contracts and the existing local bus network will therefore be maintained from 1<sup>st</sup> April 2024. However, the Council will continue to engage with bus users (through general correspondence and complaints received) and the bus companies to try to continually improve services.

The initiative supports our Corporate Plan’s Well-being Objectives when considered together, it applies to each of the five ways of working and it meets the needs of the present without compromising the ability of future generations to meet their own needs.

The initiative has a low risk.

The initiative will not directly have any adverse effect on people and / or communities.

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

Full IIA to be completed

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

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

<b>Screening completed by:</b>
<b>Name:</b> Barrie Gilbert
<b>Job title:</b> Team Leader – Passenger Transport
<b>Date:</b> 8 <sup>th</sup> January 2024
<b>Approval by Head of Service:</b>
<b>Name:</b> Stuart Davies
<b>Position:</b> Head of Highways & Transportation
<b>Date:</b> 18/01/24



# Agenda Item 18.



## Report of the Cabinet Member for Service Transformation

Cabinet - 15 February 2024

### **Approval to receive grant – HAPS City Deal Financial Incentive Fund and Green Transition Ecosystems (GTE) - Transforming Housing and Homes for Future Generations Project**

<b>Purpose:</b>	This report seeks retrospective approval for 3 grant applications relating to: <ul style="list-style-type: none"><li>• HAPS City Deal HAPS Financial Incentive fund (x2) and</li><li>• Green Transition Ecosystems (GTE) - Transforming Housing and Homes for Future Generations Project</li></ul>
<b>Policy Framework:</b>	Welsh Housing Quality Standard and More Homes Development Programme.
<b>Consultation:</b>	Access to Services, Finance, Legal.
<b>Recommendation(s):</b>	It is recommended that Cabinet: <ol style="list-style-type: none"><li>1) Approves the grant funding bid for the Green Transition Ecosystems (GTE) - Transforming Housing and Homes for Future Generations Project set out in 2.0.</li><li>2) Approves the 2x grant funding bids set out in 3.0 for:<ul style="list-style-type: none"><li>• City Deal HAPS Financial Incentive Fund for Brondeg House More Homes New Build Scheme and</li><li>• Green Transition Ecosystems (GTE) - Transforming Housing and Homes for Future Generations Project</li></ul></li><li>3) Delegates authority to the Director of Place, the Chief Legal Officer and Chief Finance Officer to enter into any agreements necessary to ensure the delivery of the projects and to protect the Council's interests.</li><li>4) Delegates authority to the Director of Place and the Chief Finance Officer to recover all relevant expenditure associated with the delivery</li></ol>

of the projects from HAPS City Deal Financial Incentive Fund and Bath University.

- 5) Any further decisions relating to this funding will be delegated to the Director of Place and the Cabinet Member for Service Transformation. The funding will support schemes approved via the annual HRA Capital Budget report

<b>Report Author:</b>	Rosie Jackson
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officers:</b>	Adrian Jeremiah/Caritas Adere
<b>Access to Services Officer:</b>	Rhian Millar

## 1.0 Introduction

- 1.1 The Council has been approached by the Welsh School of Architecture in Cardiff University to request our participation in a research project to develop approaches to retrofitting of inter-war council properties. The project is a collaboration with the research partnership of the GW4 universities (Bath, Cardiff, Bristol, and Exeter) on the Transforming Housing and Homes for Future Generations Green Transition Ecosystem (GTE) project – referred to as the Transforming Homes Project. It has received funding from the UK Government Arts and Humanities Research Council (AHRC) to carry out research into retrofit measures to inter-war properties to meet decarbonisation targets using bio-based and non-extractive materials and installing renewable energy technologies, including solar panels, storage batteries and heat pumps.
- 1.2 The Council faces a significant challenge to develop effective approaches to retro fitting energy efficiency and renewable technology in existing properties, to make them more energy efficient with lower emissions and achieve Welsh Government decarbonisation targets. The Council already has a long-standing working relationship with the Welsh School of Architecture, therefore we have agreed to participate in the research project through the provision of 4 properties to be utilised as demonstration homes. An element of the AHRC funding has been allocated to fund retrofit measures in these properties.
- 1.3 In addition, the Council has sought funding from the City Deal HAPS (Homes as Power Stations) Financial Incentive Fund to provide further financial support to the GTE Transforming Homes project. The Swansea Bay City Deal Homes as Power Stations (HAPS) project is a regional five year programme led by Neath Port Talbot CBC on behalf of the City Deal local authorities, which aims to deliver smart, low carbon, energy efficient homes through a coordinated approach across the region, ultimately leading to a reduction in fuel poverty and its impact on health and wellbeing and contributing to carbon emission reduction targets and alleviating the housing shortage to address the housing need.

- 1.4 The HAPS programme will target both new build projects and the retrofit of existing buildings. The aim is to provide proof on concept in the public sector at relatively small scale with the intention of scaling up activity across the region and sectors.
- 1.5 A separate bid has also been made to City Deal HAPS Financial Incentive Fund to fund the cost of renewable technology on a forthcoming More Homes new build development, Brondeg House, Manselton.
- 1.6 Given the short timescales involved, it was not practical to inform Cabinet of the bids before the bid submission dates so this report seeks retrospective approval for the Council's applications.

## **2.0 Green Transition Ecosystems - Transforming Housing and Homes for Future Generations. Swansea Council Demonstration houses**

- 2.1 The funding lead is Bath University, who made the successful application the Arts and Humanities Research Council (AHRC) and will be the Grant Recipient and Administrator for the funding. Swansea Council is a collaborative partner and will receive funding via Bath University to contribute to the cost of retrofitting works. The project will commence in December 2023. The Council will provide 4 interwar properties in Townhill as demonstration homes to test the research findings through a whole house retrofit. The properties are already scheduled for external fabric improvements as part of the HRA capital programme, however the grant will be used to cover the cost of the biobased materials and part fund renewable technologies. An additional funding bid to cover the cost of solar panels and batteries has been made to the City Deal HAPS Financial Incentive Fund - see 3.0 for further details.

## **3.0 City Deal HAPS Financial Incentive Fund**

- 3.1 Homes As Power Stations (HAPS) is one of the nine Swansea Bay City Deal Projects. The HAPS Financial Incentive Fund been established to accelerate the uptake and use of technology to provide homes that are greener and more cost efficient to run across the local authority areas of Neath Port Talbot, Swansea, Carmarthenshire and Pembrokeshire.
- 3.2 **Green Transition Ecosystems - Transforming Housing and Homes for Future Generations.** In order to support the Transforming Homes retrofit pilot outlined in 2.0, an additional funding bid was made to the City Deal HAPS Financial Incentive Fund to cover the cost of solar panels and battery storage on the 4 demonstration properties. This is to supplement HRA capital funding and grant already in place from Bath University (who are the grant recipient and administrator for the AHRC funding).
- 3.3 **Brondeg House – More Homes New build scheme.** The Council is applying for this funding to support the cost of the renewable technology element on a More Homes New Build Scheme – Brondeg House. The scheme will deliver 13 units of accommodation (8 x 1 bed flats and 5 x 3

bed houses) in the Manselton area of Swansea, built to the established Swansea Standard, which includes the concept as Homes as Power Stations (HAPS), which will introduce Solar PV roofs combined with battery storage, MVHR units and Ground Source Heat Pumps with the aim of creating energy positive homes. Funding for this scheme has been allocated in the 4-year HRA capital programme, and it will also be supported by WG Social Housing Grant therefore the scheme can proceed without the HAPS FIF. However additional grant funding will serve to improve the HRA financial position and our ability to maintain significant levels of investment in renewable technology in new build homes.

#### 4. Financial Implications

4.1 A breakdown of the grant funding for the 3 bids is set out in the table below. Match funding is in place from the HRA Capital Programme. The HRA capital investment programme was agreed at full Council by 2<sup>nd</sup> March 2023 (agenda item 131) “HRA Capital Budget and Investment Programme 2023/24-27/28. The grant funding applies to programmes that have already been approved in the 2022/23 budget and funded by other resources. This report seeks to utilise the grant in place of other Council funding to free up resources for other use.

4.2 The Council will ensure that it complies with any terms and conditions attached to the grant funding. Any procurement activities in relation to the projects in this report will follow the Council’s Contract Procedure Rules.

#### 4.3 Funding amounts

	1) Transforming Homes Project Town Hill Retrofit Demonstration Homes	2) Brondeg House More Homes New Build Scheme
<b>Total scheme cost</b>	£423,000	£3,017,191
<b>GTE – Transforming Homes grant funding</b>		
• <i>Capital</i>	£240,000	n/a
• <i>Revenue</i>	£63,983	n/a
<b>HAPS City Deal Financial Incentive Fund</b>		
• <i>Capital</i>	£75,600	£300,000
<b>Deficit</b>	£43,417	£2,717,191
	Deficit funded via prior approved HRA Programme Capital Budget	Deficit funded via prior approved HRA Programme Capital Budget/More Homes Delivery Programme. Social Housing Grant will be claimed from Welsh

		Government which will cover approximately 60% of the scheme costs (to be determined by WG when full and final scheme costs are known). This grant is paid to LAs in arrears by WG so will be claimed on completion of the construction of the scheme.
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## 5. Integrated Assessment Implications

- 5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the Socio-economic Duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 5.2 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'.
- 5.3 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.
- 5.4 An IIA Screening Form has been completed and a full IIA report is not required at this stage.
- 5.5 The schemes funded by the grants support the Wellbeing of Future Generations (Wales) Act 2015 and will make a significant contribution to the 7 well-being goals. Improving existing housing stock and increasing the supply new affordable housing will assist in the regeneration of areas, and stimulating economic growth, addressing issues such as fuel

poverty, inequality, reducing homelessness, jobs and skills which directly contributes to the council's obligations to act in a sustainable way pursuant to the Well-being of Future Generations (Wales) Act 2015 and meeting the Council's net zero carbon targets via the decarbonisation of existing council homes and building new, energy efficient council homes.

- 5.6 Both schemes funded by the grants will have a positive impact across the population of protected characteristics and the wider community. In particular the characteristics relating to poverty/social exclusion and future generations have a highly positive impact in relation to improving the energy efficiency and providing renewable technologies to 4 existing council properties and increasing the supply of affordable housing in Swansea. Therefore, no mitigation measures are required.
- 5.7 The new affordable homes will be allocated according to the Housing Allocations policy, which was subject to a full EIA.

## **6. Legal Implications**

- 6.1 There is a requirement for Swansea Council to sign up to a collaboration Agreement for the GTE Transforming Homes Project, which has been reviewed and agreed by Legal Services.
- 6.2 The Council will need to ensure that any conditions attached to the funding are complied with and that the Council complies with its Contract Procedure Rules and any relevant procurement legislation when procuring any of the works and related contracts referred to above.

**Background Papers:** None

**Appendices:** None