

CITY & COUNTY OF SWANSEA

CABINET

At: Committee Room 1, Civic Centre, Swansea

On: Thursday, 16 July 2015

Time: 4.00 pm

AGENDA

1. **Apologies for Absence.**
2. **Disclosures of Personal and Prejudicial Interests.** 1 - 2
3. **Minutes.** 3 - 9
To approve and sign as a correct record the Minutes of the meeting of Cabinet held on 18 June, 2015.
4. **Leader of the Council's Report(s).**
5. **Public Question Time.**
6. **Councillors' Question Time.**
7. **Scrutiny Report(s): None.**
8. **Reports of the Cabinet Member for Education.**
 - 8.a 21st Century Schools Programme - Pentre'r Graig Primary - Curriculum Led Remodelling Scheme. 10 - 15
 - 8.b 21st Century Schools Programme - Gorseinon Primary School. 16 - 27
 - 8.c Local Authority Governor Appointments. 28 - 29
9. **Report of the Cabinet Member for Enterprise, Development and Regeneration.**
 - 9.a EU Rural Development Plan 2014-2020 'LEADER' Programme Grant Acceptance. 30 - 35
10. **Reports of the Cabinet Member for Finance and Strategy.**
 - 10.a Revenue Financial Outturn 2014/15. 36 - 49
 - 10.b Revenue Outturn 2014/15 - Housing Revenue Account [HRA]. 50 - 52
 - 10.c Capital Outturn and Financing 2014/15. 53 - 58
 - 10.d Business Rates - Temporary Retail Rate Relief Scheme (Wales). 59 - 61
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 - 11.a Annual 2014/15 Performance Monitoring Report. 64 - 68

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Patrick Arran
Head of Legal, Democratic Services & Procurement
Wednesday, 8 July 2015

Contact: Democratic Services - 01792 635757

CABINET (10)

Labour Councillors:

Mark C Child	Clive Lloyd
William Evans	Jennifer A Raynor
Robert Francis-Davies	Christine Richards (Deputy Leader)
Jane E C Harris	Rob C Stewart (Leader)
David H Hopkins	Mark Thomas

Officers:

Jack Straw	Chief Executive
Phil Roberts	Director of Place
Dean Taylor	Director of Corporate Services
Chris Sivers	Director of People
Lindsay Harvey	Chief Education Officer
D Howes	Acting Chief Social Services Officer
Mike Hawes	Head of Financial Services
Lee Wenham	Head of Marketing, Communications & Scrutiny
Steve Rees	Head of Human Resources
Patrick Arran	Head of Legal, Democratic Services & Procurement – Electronic and hard copy
Tracey Meredith	Deputy Head of Legal, Democratic Services & Procurement - Electronic and hard copy
Huw Evans	Head of Democratic Services
Democratic Services	1 Copy
Patrick Fletcher	Communications
Scrutiny Team	1 Copy
Archives	1 Copy
CAC, Licensing & Planning Chairs	7 Copies
Various Councillors	10 Copies
All Other Councillors	Via e mail

Total Copies Needed:

57 Full & 10 Public

Disclosures of Interest

To receive Disclosures of Interest from Councillors and Officers

Councillors

Councillors Interests are made in accordance with the provisions of the Code of Conduct adopted by the City and County of Swansea. You must disclose orally to the meeting the existence and nature of that interest.

NOTE: You are requested to identify the Agenda Item / Minute No. / Planning Application No. and Subject Matter to which that interest relates and to enter all declared interests on the sheet provided for that purpose at the meeting.

1. If you have a **Personal Interest** as set out in **Paragraph 10** of the Code, you **MAY STAY, SPEAK AND VOTE** unless it is also a Prejudicial Interest.
2. If you have a Personal Interest which is also a **Prejudicial Interest** as set out in **Paragraph 12** of the Code, then subject to point 3 below, you **MUST WITHDRAW** from the meeting (unless you have obtained a dispensation from the Authority's Standards Committee)
3. Where you have a Prejudicial Interest you may attend the meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, **provided** that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise. In such a case, you **must withdraw from the meeting immediately after the period for making representations, answering questions, or giving evidence relating to the business has ended**, and in any event before further consideration of the business begins, whether or not the public are allowed to remain in attendance for such consideration (**Paragraph 14** of the Code).
4. Where you have agreement from the Monitoring Officer that the information relating to your Personal Interest is **sensitive information**, as set out in **Paragraph 16** of the Code of Conduct, your obligation to disclose such information is replaced with an obligation to disclose the existence of a personal interest and to confirm that the Monitoring Officer has agreed that the nature of such personal interest is sensitive information.
5. If you are relying on a **grant of a dispensation** by the Standards Committee, you must, before the matter is under consideration:
 - i) Disclose orally both the interest concerned and the existence of the dispensation; and
 - ii) Before or immediately after the close of the meeting give written notification to the Authority containing:

- a) Details of the prejudicial interest;
- b) Details of the business to which the prejudicial interest relates;
- c) Details of, and the date on which, the dispensation was granted; and
- d) Your signature

Officers

Financial Interests

1. If an Officer has a financial interest in any matter which arises for decision at any meeting to which the Officer is reporting or at which the Officer is in attendance involving any member of the Council and /or any third party the Officer shall declare an interest in that matter and take no part in the consideration or determination of the matter and shall withdraw from the meeting while that matter is considered. Any such declaration made in a meeting of a constitutional body shall be recorded in the minutes of that meeting. No Officer shall make a report to a meeting for a decision to be made on any matter in which s/he has a financial interest.
2. A "financial interest" is defined as any interest affecting the financial position of the Officer, either to his/her benefit or to his/her detriment. It also includes an interest on the same basis for any member of the Officers family or a close friend and any company firm or business from which an Officer or a member of his/her family receives any remuneration. There is no financial interest for an Officer where a decision on a report affects all of the Officers of the Council or all of the officers in a Department or Service.

CITY AND COUNTY OF SWANSEA

MINUTES OF THE MEETING OF CABINET

HELD AT LORD MAYORS RECEPTION ROOM, GUILDHALL ON
THURSDAY, 18 JUNE 2015 AT 5.00 PM

PRESENT: Councillor Rob Stewart (Leader) presided

Councillor(s)	Councillor(s)	Councillor(s)
M C Child R Francis-Davies	D H Hopkins C E Lloyd	J A Raynor M Thomas

7. **APOLOGIES FOR ABSENCE.**

Apologies for absence were received from Councillors W Evans and C Richards.

8. **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.**

In accordance with the provisions of the Code of Conduct adopted by the City and County of Swansea, the following interest was declared:

- 1) Councillor C E Lloyd declared a personal interest in Minute 15 "Financial Procedure Rule 7 - Local Transport Fund Grant 2015-2015" as the report refers to Port Tennant Road".

9. **MINUTES.**

RESOLVED that the Minutes of the meetings listed below be approved as a correct record:

- 1) Special Cabinet held on 30 April 2015;
- 2) Cabinet held on 30 April 2015;
- 3) Special Cabinet held on 2 June 2015.

10. **LEADER OF THE COUNCIL'S REPORT(S).**

The Leader of the Council indicated that he had no announcements.

11. **PUBLIC QUESTION TIME.**

No questions were asked.

12. **COUNCILLORS' QUESTION TIME.**

No questions were asked.

13. **SCRUTINY REPORT(S):**

There were no Scrutiny Reports.

14. **TACKLING ON STREET ENFORCEMENT.**

The Cabinet Member for Environment and Transportation submitted a report which sought to consider the continuance of the provision of a partnership to provide effective enforcement to promote a cleaner, safer Swansea.

CABINET DECISION

- 1) The proposals as set out in paragraph 8.1 of the report and associated financial implications be approved.

Policy Framework

Clean Neighbourhoods and Environment Act (CNEA) 2005;
Environmental Protection Act (EPA) 1990;
Anti Social Behaviour, Crime and Policing Act (ASBCPA) 2014.

Reason for Decision

To approve proposals to continue the partnership provision of on street enforcement within public areas and open spaces of the City and County of Swansea.

Consultation

Access to Services, Legal, Finance, Economic Regeneration and Planning.

15. **FINANCIAL PROCEDURE RULE 7 - LOCAL TRANSPORT FUND GRANT 2015-2016.**

The Cabinet Member for Environment and Transportation submitted a report which sought to confirm the bid for Local Transport Fund (LTF) Grant and seek approval for expenditure on the proposed schemes and projects in 2015-2016.

CABINET DECISION

- 1) The Local Transport Fund schemes, together with their financial implications be approved.

Policy Framework

Local Transport Plan 2015-2020.

Reason for Decision

To comply with Financial Procedure Rule 7 "Capital Programming and Appraisals":
To commit and authorise schemes in the Capital Programme.

Consultation

Legal and Democratic Services, Finance.

16. **REVENUE BUDGET 2015/16 - POSITION STATEMENT AND INTERIM REVIEW.**

The Cabinet Member for Finance and Strategy submitted a report which sought to provide a snapshot, one complete month into the new financial year to assess progress with budget proposals agreed at Council in February 2015.

CABINET DECISION

- 1) The assessment of progress to date be noted;
- 2) The emergency to action fundamental emerging shortfalls in delivery as set out in the report be approved.

Policy Framework

Sustainable Swansea - Fit for the Future.

Reason for Decision

To review and assess progress with Revenue Budget savings for 2015-2016.

Consultation

Access to Services, Legal, Finance, Cabinet Members and Executive Board.

17. **FINANCIAL PROCEDURE RULE 7 - CAPITAL ALLOCATION TO HIGHWAY INFRASTRUCTURE ASSETS.**

The Cabinet Member for Finance and Strategy submitted a report which sought to confirm the Capital work programmes for highway infrastructure assets.

CABINET DECISION

- 1) The proposed allocations, together with the financial implications set out in Appendix A of the report be approved and included in the Capital Programme.

Policy Framework

Revenue and Capital Budget as reported to and approved by Council on 24 February 2015.

Reason for Decision

To comply with Financial Procedure Rule 7 "Capital Programming and Appraisals":
To commit and authorise schemes in the Capital Programme.

Consultation

Access to Services, Legal.

18. **SITE ACCOMMODATION REVIEW FOR THE CITY & COUNTY OF SWANSEA
RESIDENTIAL HOME FOR LOOKED AFTER CHILDREN.**

The Cabinet Member for Services for Children and Young People submitted a report which proposed recommending how to optimise the service delivery model of emergency and short term residential placements with appropriate accommodation fit for purpose.

CABINET DECISION

- 1) Agreed that the current site does not fit with the service delivery model agreed in November 2014; it is too large for the level of demand; is an inefficient use of Local Authority accommodation; is an incompatible environment for the service model and does not enable best or effective delivery of good quality care to improve outcomes for our Looked After Children. This site cannot be modified to make it fit for purpose;
- 2) Delegated authority be given to Child & Family Services start a search for alternative smaller sites for the delivery of the service within the City & County boundary. Initially a search within the existing Local Authority estate would be completed. If an internal match fit for purpose is not identified, agreement be given to search for a residential property for purchase;
- 3) The financial implications of the move are agreed as proposed. Delegated authority is given to Child & Family Services to proceed with relocation in line with the proposed business case.
- 4) The legal and HR implications of the move are agreed as proposed;
- 5) The property be released for alternative use as considered appropriate by the Head of Corporate Property;

Policy Framework

Looked After Children (LAC) Reduction Strategy;
Child and Family Business Plan;
Strategic Delivery Plan;
Corporate Plan;
Sustainable Swansea Programme.

Reason for Decision

Current accommodation is not fit for purpose. Agreement needed for relocation to new accommodation that is fit for purpose to deliver the new statement of purpose of a 2 bed, emergency, short term residential children's home for us to maximise efficiency, quality and outcomes for our Looked After children.

Consultation

Head of Legal Democratic Services & Procurement, Head of Financial Services, Corporate Building and Property Services, Access to Services.

19. **WESTERN BAY REGIONAL AREA PLANNING BOARD FOR SUBSTANCE MISUSE – LEGAL AGREEMENT.**

The Cabinet Member for Services for Adults and Vulnerable People submitted a report which sought to seek approval to enter into a legal agreement with Abertawe Bro Morgannwg University Health Board (ABMU), Bridgend County Borough Council (BCBC) and Neath Port Talbot County Borough Council (NPT) relating to regional arrangements for the funding and commissioning of substance misuse services.

CABINET DECISION

- 1) To delegate authority to the Chief Officer for Social Services to finalise and enter into the legal agreement, under the guidance of the Head of Legal, Democratic Services and Procurement;
- 2) To nominate the Chief Officer for Social Services to act as Swansea's representative on the 'Executive Group' and delegate authority to this post holder to exercise any functions under the legal agreement;
- 3) Swansea's remaining financial commitment of £6,650 in 2015-2016 which will contribute to the additional legal and procurement support needed be noted.

Policy Framework

Sustainable Social Services for Wales: A Framework for Action

Reason for Decision

To seek approval to enter into a legal agreement with Western Bay partners regarding regional arrangements.

Consultation

Access to Services, Legal, Finance.

20. **SWANSEA COMMUNITY RENEWABLE ENERGY AND ENTERPRISE SCHEME.**

The Cabinet Member for Environment and Transportation submitted a report which sought to develop the Community Renewable Energy & Enterprise Scheme (CREES) social enterprise in support of the 'Tackling Poverty' and 'Building Sustainable Communities' Corporate Priorities.

CABINET DECISION

- 1) The Council work with local communities to develop a social enterprise to own and run the Community Renewable Energy and Enterprise Scheme, based in and with controlling influence from the locality of the installations (Townhill, Penderry, Castle and the surrounding area);
- 2) Model 3 be agreed as the most appropriate for the CREES scheme;
- 3) The Council should continue to provide officer support through development of the project including drafting and entering into roof lease agreements for the buildings that will host the PV systems;
- 4) Support should be sought for the project through the Ynni'r Fro programme, including development officer input and grant funding for development work;
- 5) The CREES Project Board should continue to explore options for developing a Council-owned scheme further with the Council's Commercialisation Team.

Policy Framework

Sustainable Development Policy.

Reason for Decision

To agree options for developing the CREES social enterprise.

Consultation

Access to Services, Legal, Finance.

The meeting ended at 5.23 pm

CHAIR

Agenda Item 8.a

Report of the Cabinet Member for Education

Cabinet – 16 July 2015

21st CENTURY SCHOOLS PROGRAMME – PENTRE'R GRAIG PRIMARY – CURRICULUM LED REMODELLING SCHEME

Purpose:	To seek authorisation to proceed with the Curriculum Led Remodelling scheme at Pentre'r Graig Primary School and to appoint Corporate Property and Building Services to undertake the work.
Policy Framework:	One Swansea Plan The Revenue and Capital Budget as reported to and approved by Council on the 10th February 2015. QEd 2020 programme Corporate Priority to review the overall provision of schools. Corporate Priority to improve opportunities for children and young people. Corporate Priority improving school performance. Corporate Priority effective corporate and strategic management of assets.
Reason for Decision:	To comply with Financial Procedure Rule 7-to approve and include new Capital schemes in the Capital Programme.
Consultation:	Education, Poverty, Corporate Building and Services, Finance and Legal were consulted.
Recommendation(s): that Cabinet :-	<ol style="list-style-type: none">1. Authorise the scheme as detailed at Pentre'r Graig Primary, together with financial implications, be included in the Capital Programme.2. Corporate Building and Property Services are authorised to proceed with the scheme as the principle contractor
Report Author:	Claire Lewis
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer	Sherill Hopkins

1.0 Background

- 1.1 The Strategic Outline Programme (SOP) detailing the re-organisation and investment need for Schools across Swansea was submitted to the Welsh Government in 2010.
- 1.2 In December 2011 further approval in principle was granted by the Welsh Government to proceed with the schemes outlined within “Band A” of the programme subject to contract and a Local Authority contribution of 50% towards the overall costs.
- 1.3 In line with Welsh Government programme requirements the Capital Budget and Programme 2013/14 to 2016/17 provides an outline spending profile for the early priority schemes, totalling £21m. Included within this phase of projects is the Curriculum Led Remodelling at Pentre’r Graig Primary School

2.0 Summary of Design Brief

- 2.1 The scheme aims to provide the pupils and staff of Pentre’r Graig Primary School with a safe, sound and fit for purpose 21st Century Learning environment; designed to reduce disruption to learning and create appropriate and flexible learning spaces.
- 2.2 The phased programme of works will include the refurbishment of existing buildings, curriculum remodelling and a small scale extension to link the two existing buildings. Accessibility and safeguarding will be improved, whilst addressing priority areas of backlog maintenance.
- 2.3 The remaining demountable (which is no longer fit for purpose) will be demolished and removed.

3.0 Start and Completion Dates

- 3.1 Welsh Government approved the Business Justification Case for Pentre’r Graig Primary Curriculum Led Remodelling scheme on 14th May 2015.
- 3.2 It is anticipated that works will commence on site during the Summer holiday period 2015 in order to minimise disruption to the school pupils and staff and to maximise spend within the current financial year . The scheme is programmed as an 18 month programme and will be ready for occupation by the school at the start of the calendar year January 2017.
- 3.3 The works will take place on a live school site, therefore the work will be split into distinct phases, to enable the school to operate successfully during the works.

4.0 Financial Implications

Capital

- 4.1 In line with the WG Programme requirements the Capital Budget and Programme 2013/2014 to 2016/17 provides an outline spending profile for schemes totalling £21m. Included within this phase of projects is the curriculum led remodelling scheme (including a small scale extension) at Pentre'r Graig Primary School
- 4.2 The scheme at Pentre'r Graig Primary School has been costed at £2.724million. This includes construction costs, fees, surveys and applications as outlined in Appendix A

Revenue

- 4.3 There are no revenue implications linked to this scheme of works at Pentre'r Graig Primary.

5.0 Legal Implications

- 5.1 Statutory Requirements

A Planning Application will be submitted.

The initial feasibility and design has been carried out by Corporate Building and Property Services. CB&PS will act in the capacity of principal contractor for all construction related activity.

An Equality Impact Assessment screening form has been completed and a full Equality Impact Assessment carried out.

6.0 Equality and Engagement Implications

- 6.1 An Equality Impact Assessment Screening Form has been completed for the project with the outcome that a full EIA Report was required. This has now been completed and shows that the project will have a positive impact on;

Age – Pentre'r Graig school is a 3-11 school. This project will have a very positive impact on the Education of all 3-11 year olds who attend the school in the future.

Disability – The design, delivery and implementation of this project has taken full consideration of the social model of disability, which recognises that people are disabled by the barriers of society (e.g. physical, environmental, organisational, and attitudinal, communication, etc.) rather than by any physical condition. The re-modelling will ensure

that ALL the pupils and staff (as well as parents / carers) can make the most of their improved environment.

Children's Rights - In line with the Council's commitment to the UNCRC the initiative will have a direct impact on children and young people and is designed in the best interest of children as stated in guiding principal

Article 3. Best interests of the child (Article 3): The best interests of children must be the primary concern in making decisions that may affect them. All adults should do what is best for children. When adults make decisions, they should think about how their decisions will affect children. This particularly applies to budget, policy and law makers

- 6.2 All key stakeholders will be communicated with throughout the projects' delivery.

7.0 Procurement

- 7.1 It is proposed that associated works will be delivered by Corporate Building and Property Services. This approach has previously been approved with external auditors, therefore will fulfil stipulated grant criteria and attain best value throughout the process.

- 7.2 As part of any procurement process, the internal contractor will ensure:

- Purchases of works, goods or services will be made through open competition
- Decisions to purchase goods, services or works will be made with the aim of obtaining value for money
- Sufficient time will be allowed to undertake a proper tendering exercise
- Suppliers and contractors will be treated fairly and in an even handed manner
- A clear and concise documentary audit trail will be kept so the reasoning behind the procurement decision reached is open and transparent.
- That all Community Benefits requirements will be fulfilled as per the grant conditions

Background papers:

Equality Impact Assessment can be viewed at <http://www.swansea.gov.uk/eia>

Appendices:

Appendix A Financial Implications Summary

Appendix B Design of Pentre'r Graig Curriculum Remodelling Scheme

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: EDUCATION
Service : PRIMARY SCHOOLS

Scheme :

Pentre'r Graig Primary School - Curriculum Led Remodelling Scheme

<u>1.1. CAPITAL COSTS</u>	2014/15 £'000	2015/16 £'000	2016/17 £'000	TOTAL £'000
<u>Expenditure</u>				
Pentre'r Graig Primary School - Curriculum Led Remodelling				
Pentre'r Graig Primary				
Construction		£1,256,931	1203797	2460728
Fees	79,670	£83,204	83203	246077
Surveys & Applications	17,195			17195
EXPENDITURE	96,865	1,340,135	1,287,000	2,724,000
<u>Financing</u>				
WG Grant allocation	0	1,000,000	362,000	1,362,000
CCOS contribution	96,865	340,135	925,000	1,362,000
				0
FINANCING	96,865	1,340,135	1,287,000	2,724,000

<u>1.2. REVENUE COSTS</u>	2013/14 £'000		2014/15 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>				
Employees)				0
Maintenance)				0
Furniture and Equipment)				0
				0
NET EXPENDITURE	0		0	0
<u>Financing</u>				
FINANCING	0		0	0

Agenda Item 8.b

Report of the Cabinet Member for Education

Cabinet - 16 July 2015

21st CENTURY SCHOOLS PROGRAMME – GORSEINON PRIMARY SCHOOL

Purpose:

- To approve and commit to the Capital Programme the scheme for the new build for Gorseinon Primary School subject to confirmation of the grant and entering into a contract with Welsh Government (subject to planning approval).
- To seek authorisation to award the Contract for the works to Tender No. 4, under the agreement that following the contract award the contractor must obtain planning approval and all risks associated with not achieving planning approval are those of the contractor, and subject to confirmation of the grant and entering into a contract with Welsh Government (subject to planning approval).
- To approve the appropriation of the proposed site at Parc Y Werin.

Policy Framework:

- One Swansea Plan
- The Revenue and Capital Budget as reported to and approved by Council on the 10th February 2015.
- QEd 2020 programme
- Corporate Priority to review the overall provision of schools.
- Corporate Priority to improve opportunities for children and young people.
- Corporate Priority improving school performance.
- Corporate Priority effective corporate and strategic management of assets.

Reason for Decision:

- To comply with Financial Procedure Rule 7 (Capital programming and Appraisals) – to commit and authorise schemes as per the Capital Programme.
- To comply with Contract Procedure Rule 13.12 the evaluation and award of contract.
- Statutory requirement under S.123 (2A) of the Local Government Act 1972 to consider any objections to the proposed appropriation of an open space.

Consultation: Education, Finance, Legal, Democratic Services and Procurement, Corporate Building and Property Services.

Recommendations:

1. The capital scheme as detailed together with the financial implications set out in Appendix A is approved, subject to confirmation of the grant and entering into a contract (subject to planning approval) with Welsh Government and,
2. The contract for the design and construction of a new school for Gorseinon Primary School be awarded to Tender No. 4 under the agreement that following the contract award the contractor must obtain planning approval and all risks associated with not achieving planning approval are those of the contractor, and subject to confirmation of the grant and entering into a contract (subject to planning approval) with Welsh Government and,
3. As no objections to the appropriation have been received, the Appropriation of the land at Parc Y Werin from the Director of Place to the Director of People is approved which will enable the building of the proposed new Gorseinon Primary School,
4. The Head of Legal, Democratic Services and Procurement is authorised to enter into any necessary documentation required to complete the contract and achieve the scheme.

Report Author: Louise Herbert-Evans

Finance Officer: Ben Smith

Legal Officer: Debbie Smith

Access to Services Officer: Sherill Hopkins

Part A

1.0 Introduction/ Background

- 1.1 The Strategic Outline Programme (SOP) detailing the re-organisation and investment needs for schools across Swansea was submitted to the Welsh Government (WG) in 2010.

- 1.2** In December 2011 further approval in principle was granted by WG to proceed with the schemes outlined within “Band A” of the programme subject to contract and Local Authority contribution of 50% towards overall costs.
- 1.3** The Capital Budget and Programme capital budget for 2015/16 - 2018/19 provides an outline spending profile for the Phase 2 Schemes totalling £25.722m which includes £6.320m for a new build for Gorseinon Primary School.
- 1.4** The scheme is subject to the successful approval of three stages of a business case. To date the first two stages have been approved by the WG and subject to the final stage (FBC) approval and planning approval the Council may enter into a formal contract with the WG which will form a binding agreement with the City & County of Swansea (CCS).

2.0 Description of Scheme

- 2.1** Gorseinon Infant School and Gorseinon Junior School were amalgamated in September 2012. The new school is now called Gorseinon Primary School but still operates out of the three sites, with the aspiration to move the new primary school from its existing three school sites to a single site.
- 2.3** The nursery school is located 0.5 miles from the Junior School with the Junior School a further 0.3 miles from the Infant school. The distance between the nursery and Infant school is 0.6 miles. The route between the Infant and Junior, and the Infant and Nursery schools involves the crossing of the B4296.
- 2.4** The only ‘green’ areas are to be found at the Junior site which has drainage issues due to the geography and geology of the site and so can only be used in the driest months. In addition even though the green area is within the curtilage of the School grounds, as this area has a public rights of way crossing through it, as it is accessible to the public it has to be risk assessed prior to every use by the School.
- 2.5** Whilst the School are making use of the resources available to them as reported by Estyn in 2014, there is no appropriate transition from indoor to outdoor learning environments at, or immediate access to suitable habitat and grassed areas.
- 2.6** The first two stages of the Business Case process Strategic and Outline Business Case (SOC/OBC) included appraisals of the shortlisted options;
- Option 5 – Extension and remodelling/ refurbishment on Junior site
 - Option 8 – New build at Junior site for single new build
 - Option 9 – New Build at Parc Y Werin which was the preferred way forward based on the outcome of the economic appraisals.

- 2.7** The Strategic Outline Case (SOC)/Outline Business Case (OBC) in respect of the Gorseinon Primary School proposal were approved by WG including agreement to progress to Final Business Case (FBC) stage. The Full Business Case which includes actual tender costs for Option 9 will be submitted to WG in early July for consideration
- 2.8** The proposed capacity of the new build is 1.5 form entry (315 pupils) plus nursery, with common spaces to accommodate a 2 form (420 pupils) plus nursery entry school, and designed and set out in such a way that further classrooms can be added to accommodate 2 form entry. This future proofed building would then be able to meet future demand arising from possible new developments in the locality.
- 2.9** The proposed new build for Gorseinon Primary School represents a land take of 3.24 acres incorporating two mini pitches, and a modestly equipped playground from a total of 8.77 acres at Parc Y Werin.
- 2.10** The proposals include for the relocation of the playground, a modest allowance for the enhancement of the remaining facilities and / or other facilities in the locality and also the provision for the School of a mini pitch and MUGA. However it is proposed to work with the School and community to design and establish a means by which the facilities can be shared between the School and the community.
- 2.11** Furthermore, the proposed site can accommodate the guidelines for external areas contained in BB99 with the exception of the full pitch requirement, however this can be fulfilled by the School utilising free of charge the retained facilities at Parc Y Werin.
- 2.12** The other facilities, which would still be accessible to the community include:
- The grass sports pitch.
 - Upgraded and re-sited playground.
 - Bowling green and pavilion.
- 2.13** Delivery of a purpose built Primary school on the proposed site will offer opportunities to engage the community in a range of activities by enhancing amenities and facilities in the area. The proposal seeks to develop community engagement within the new school building and its school community, where this is demonstrated to be sustainable.
- 2.14** The proposals include for a 'zoned' area within the school building which incorporates the hall and a community room; these will be capable of being available for community use subject to booking with the School. It will also provide opportunities to provide family learning and after school clubs.
- 2.15** A community engagement exercise was undertaken earlier this year; leaflets were printed for distribution to all ward and catchment addresses and leaflets were also provided to the school for distribution to parents,

staff and governors, and posted to the registered users of Parc Y Werin.

2.16 The proposals and community engagement sessions were also publicised in a press release and were on display in Gorseinon Library during the engagement period. Council officers were available to answer questions in Canolfan Gorseinon on the 23rd February 2015 between 5.30pm and 7.00pm, 2nd March 2015 between 3.00pm and 5.00pm and 4th March 2015 between 9.00am and 11.00am.

2.17 87 people submitted comments/questions about the proposals, of which 22 were in support of the proposals; the FAQs have been published on the website at <http://www.swansea.gov.uk/article/11127/Gorseinon-primary-school-project>. The website will continue to be updated throughout the life of the project.

3.0 Objectives of the Scheme

3.1 The construction of a new Gorseinon Primary School will provide:

- Pupils and staff with a safe, sound and fit for purpose school environment
- An appropriate environment that facilitates an improvement in attainment levels across the whole age range of Gorseinon Primary School
- Greater operational efficiencies
- Community usage of school facilities

4.0 IT/System Implications

4.1 The IT infrastructure requirements for the new school have been identified in the Employers Requirements. The new building will have both hard wired and wireless infrastructures throughout.

4.2 Both School and Council technical support have informed the planned infrastructure provision and will continue to develop these in the new school.

5.0 Staffing Implications

5.1 The Head Teacher is planning for the occupation of the new build including staffing requirements consistent with the expected delegated budget.

6.0 Property Implications

6.1 It is proposed that a further report is brought to Cabinet to consider the future of the three sites following vacation by the School.

6.2 All future maintenance liabilities will be continued within the current review budget either retained or devolved to schools in line with the relevant division of responsibilities.

7.0 Equality and Engagement Implications

- 7.1** A full Equality Impact Assessment has been drafted (and will be progressed throughout the life of the project) and shows that this project will have a positive impact on;
- 7.2** *Age* – Gorseinon Primary School is a school for pupils aged 3-11 years. This project will have a very positive impact on the Education of all 3-11 year olds who attend the school in the future.
- 7.3** *Disability* – The design, delivery and implementation of this project has taken full consideration of the social model of disability, which recognises that people are disabled by the barriers of society (e.g. physical, environmental, organisational, and attitudinal, communication, etc.) rather than by any physical condition. The design of the new buildings and the running of the school in the future will ensure that ALL the pupils and staff can make the most of their new environment.
- 7.4** *Welsh* – All public signage within the school will be bilingual.

8.0 Legal Implications

- 8.1** The land is currently held by the Director of Place for recreation purposes. In order for the scheme to proceed, the land use needs to be altered from recreation to Education purposes and hence the requirement for Appropriation.
- 8.2** Under the provisions of Sections 123, (2A) of the Local Government Act 1972, the Council may not appropriate land comprising or forming part of an open space unless before doing so, it causes notice of its intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated and consider any objections to the proposed appropriation which may be made.
- 8.3** Notices of the intended appropriation of the said land at Parc Y Werin were duly published in The South Wales Evening Post on the 23rd and 30th May 2015. No objections were received.
- 8.4** The Head of Legal, Democratic Services and Procurement has carried out a report on title on the land and has confirmed that there are no constraints that would affect the proposals.

9.0 Financial Implications

Capital

- 9.1** The WG announced its support in principle for an agreed programme of school building improvements in early 2012. This programme – termed the 21st Century Schools Programme - entails the Welsh Government

providing a 50% contribution in relation to schemes costing £51m. The Council is expected to provide the remaining 50% contribution. In recent correspondence WG advised that as we are now in the delivery phase of Band A of the Programme that it must hold Authorities to their delivery commitments as set out in their 21st Century School matrices. WG's budgets for each financial year are fully allocated, and should delivery slip, WG may not be able to guarantee that this funding will be made available in future years.

- 9.2** The schemes included in both phases of the programme were summarised in the Capital Budget and Programme report presented to Council on the 10th February 2015 with the budget for Gorseinon being £6.320m.
- 9.3** The current estimate of cost amounts to £6.0799m and will if approved be funded with WG grant of £3.0399m and the Council's own resources of £3.0399m. The Council's resources will ultimately come from realised capital receipts but in the interim it may be necessary to undertake temporary additional borrowing until they are tangibly realised.

The costs are summarised as follows:

	Expenditure	£
1	Construction	£4,401,666
2	Community facilities & playground relocations	£132,000
3	Surveys and external fees	£489,280
4	Additional Traffic Measures	£300,000
5	CBPS Fees	£170,000
6	Education Fees	£80,000
8	Digital Learning	£40,000
9	Decant	£120,000
10	Contingency	£240,223
	Total	£5,973,169
11	Optimism bias @ 1.788%	£106,800
	Total	£6,079,969

- 9.4** Until the Council receives the offer of the grant from WG (subject to planning approval) the successful contractor will not receive notification of the award of the contract.
- 9.5** Details of the current estimated cost and funding are set out in Appendix A.

Revenue

- 9.6** The school's operational revenue costs will continue to be appropriately funded by way of budget share of the total schools delegated budget provided in 2015-16 budget and future years as set out in the medium term financial plan.

- 9.7** All schools are funded on a consistent and transparent basis and the new build on a single site will mean that the school no longer requires split site funding (which is provided to reflect the additional costs incurred when a school operates across more than one site).

- 9.8** Furthermore, there are currently two kitchens operating, at each of the infant and junior sites. The new build will have a single kitchen which will result in a direct revenue saving.

Part B - Appointment of a contractor to carry out a single stage design and build.

10.0 Procurement/Tender Process

10.1 This scheme was procured through a single-stage procurement process utilising the South West Wales Regional Framework via a mini competition. The Tender Evaluation Report of the 2 June 2015 set out the tendering procedure.

10.2 The single stage tenders were returned to Legal and Democratic Services by the stated deadline of noon on the 30 April 2015 and were opened in compliance with the Contract Procedure Rules.

10.3 Tender received as marked by Legal Services:-

Tenderer No. 1. – £5,480,748.97.

Tenderer No. 2. - £5,992,266.00.

Tenderer No. 3. - £4,919,520.00.

Tenderer No. 4. - £4,676,094.00.

The tenders were arithmetically checked and all were correct with the exception of Tender 1 which was adjusted giving a revised tender figure of £5,555,748.97.

10.4 The tender has been approved by the Tender Evaluation Panel, and recommended for Contract Award by the Responsible Officer in accordance with the Council's Contract Procedure Rules.

11.0 Financial Implications

11.1 The overall project budget is £6.320m however this is now revised down to £6.0799m to include a construction works budget of £4.401m, and if approved by WG will be subject to 50% WG funding and the remaining 50% being funded by the Council.

11.2 The Contract cost, inclusive of Works, Contractor Design Fees and Services, can be met from the approved budget for the scheme. Any variations to the contract that arise will have to be funded by reducing other elements of the scope of works.

11.3 In the event that the contractor is unsuccessful in obtaining planning consent, the Council will only be liable for the costs of progressing the scheme to planning application stage. However this full cost would have to be funded by the Council as WG will not enable the drawdown of funding until planning approval has been obtained.

11.4 Until the Council receives the offer of the grant from WG (subject to

planning approval) the successful contractor will not receive notification of the award of the contract.

12.0 Legal Implications

12.1 The South West Wales Regional Framework led by Carmarthenshire County Council has been established in accordance with EU legislation. The Contract Award is recommended for approval in accordance with the Council's Contract Procedure Rules.

12.2 Any contractual liabilities/obligations with the successful tenderer will be covered by appropriate contract documentation to be prepared and approved by the Head of Legal, Democratic Services and Procurement. The successful contractor will only apply for planning permission when he has received notification of the award of the contract. At that stage the Council will not be in a position to accept being contractually bound for the total value of the project to completion. The Council must protect its position in the event that planning permission is not granted; a Letter of Intent will be issued to the contractor to confirm that the Council shall pay all costs up to the planning consent.

12.3 The contract and offer of grant funding from Welsh Government will contain conditions which are legally binding. The Council will need to ensure that these conditions are reasonable and that it is able to comply with the same.

Background Papers:

- Gorseinon Single Stage Tender Evaluation Report dated 2 June 2015
- Capital Budget & Programme 2015/16 - 2018/19 approved by Council 24 February 2015
- Delegated Powers Report for approval to proceed to publish under the Open Space Act 1906 and s.123 of the Local Government Act 1972 approved 12 June 2015

Appendices

Appendix A - Financial Implications: Summary

1. Capital Costs	2014/2015 £	2015/2016 £	2016/2017 £	2017/2018 £	Total £
<u>Expenditure</u>					
Pre-start works					
Construction		860,000	3,441,666	100,000	4,401,666
Playground works & relocate facilities		82,000	50,000		132,000
External Fees and Surveys		200,000	172,428		372,428
Additional traffic measures	16,000	60,000	224,000		300,000
CBPS Fees	25,875	40,000	104,125		170,000
Other fees	8,255	50,171	58,426		116,852
Education fees	1,176	38,824	40,000		80,000
Additional works items			140,223		140,223
Digital learning			40,000		40,000
Decant			120,000		120,000
Contingency		50,000	50,000		100,000
Subtotal	51,306	1,380,995	4,440,868	100,000	5,973,169
Optimism Bias		25,000	81,800		106,157
EXPENDITURE	51,306	1,405,995	4,522,668	100,000	6,079,969
<u>Financing:</u>					
WG Grant		1,195,000	1,915,000	50,000	
Own Resources	51,306	210,995	2,607,668	50,000	
FINANCING	51,306	1,405,995	4,522,668	100,000	6079,969

2. REVENUE COSTS	2014/2015 £	2015/2016 £	2016/2017 £	2017/2018 £	TOTAL
<u>Service Controlled Expenditure</u>					
Employees			(3250)	(13,000)	(16,250)
Maintenance			(3368)	(13,470)	(16,838)
Equipment					
Administration					
NET EXPENDITURE			(6618)	(26,470)	(33,088)

Agenda Item 8.c

Report of the Cabinet Member for Education

Cabinet – 16 July 2015

LOCAL AUTHORITY GOVERNOR APPOINTMENTS

Purpose of Report:	To approve the nominations submitted to fill L. A. Governor vacancies in School Governing Bodies.
Policy Framework:	Policy and Procedure for Appointment of L. A. Governors as amended by Council on 23 October 2008.
Reason for Decision:	To ensure vacancies are to be filled expeditiously.
Consultation:	Education, Legal, Finance.
Recommendation:	It is recommended that: - 1. The nominations be approved, as recommended by the LA Governor Appointment Panel.
Report Author:	Allison Gough
Finance Officer:	Ben Smith
Legal Officer:	Stephen Holland
Access to Services Officer:	Sherill Hopkins

1.0 The nominations referred for approval

1.1 At the meeting of the L.A. Governor Appointment Panel held on 27th February 2015, nominations were recommended for approval as follows:

1.Parkland Primary School	Mr Christopher Terence O'Brien
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2. Penclawdd Primary School	Councillor Mark Thomas
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3. Seaview Primary School	Mr Ken Jones
	Mrs Sue James
4. St Helens Primary School	Councillor Erika Kirchner
5. Talcopa Primary School	Mrs Linda Irene Lewis
6. Morriston Comprehensive School	Councillor Andrea Lewis

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 Equality and Engagement implications

4.1 There are no equality and engagement implications associated with this report.

Background papers: None

Appendices: None

Agenda Item 9.a

Report of the Cabinet Member for Enterprise, Development and Regeneration

Cabinet – 16 July 2015

EU RURAL DEVELOPMENT PLAN 2014-2020 'LEADER' PROGRAMME GRANT ACCEPTANCE

Purpose:	To report on the progress achieved in respect of the Rural Development Plan in Swansea and to seek approval to deliver the 2014-2020 phase of the programme.
Policy Framework:	Swansea Bay City Region Economic Regeneration Strategy.
Reason for Decision:	To approve and agree delivery of the Rural Development Plan 2014-2020 'LEADER' programme in Swansea. This is a 6-year EU-funded initiative providing a mixture of small-scale capital and revenue funding to eight wards designated as rural in City and County of Swansea.
Consultation:	Legal, Finance and Access to Services.
Recommendation(s):	<ol style="list-style-type: none">1) Note the progress achieved by the project in securing full approval from the Welsh Government. (WG)2) Authorise the Head of Financial Services, acting as the Authorising Contact for the Project, to accept the Grant Offers made by WG.3) That regular reports are made on progress to the External Funding Panel.4) Agree that a Service Level Agreement be entered into with local delivery organisations where required, with any provisions necessary to protect the Council's interests, subject to evidenced proof of match funding contributions from those organisations.
Report Author:	Paul Relf
Finance Officer:	Paul Cridland, Jayne James, Jeffrey Dong
Legal Officer:	Wendy Parkin
Access to Services Officer:	Phil Couch

1.0 Introduction

- 1.1 Following the update on European and other external funding applications to the External Funding Panel 3 June 2015, this report seeks specific approval to accept grant offers for the Rural Development Programme for 2014-2020.
- 1.2 Under the Rural Development Plan for Wales (part funded by the European Union), the Welsh Government (WG) has sought 'Local Development Strategies' based on the needs of local authority areas containing wards designated as 'rural' in nature. In City and County of Swansea these are: Bishopston, Pennard, Gower, Fairwood, Llangyfelach, Pontarddulais, Mawr, and Penclawdd.
- 1.2 Between November 2006 and July 2007, City and County of Swansea assisted in establishing a small Rural Development Partnership, acting as a Delivery Team of the Swansea Economic Regeneration Partnership, tasked with development of a Rural Development Strategy for the eight rural wards designated by WG. This was agreed with WG 3 July 2007. The Council has operated the 'lead body' function for the Partnership and administration of the funding at local level. The role was undertaken by the European Office within the Economic Regeneration & Planning division.
- 1.3 Funding was agreed for a first Business Plan covering the period June 2008-February 2011, with funding valuing £350,000 EU grant for five projects covering walking and cycling promotion, youth services, and linking local food and crafts producers to new markets. The approach was intentionally cautious to improve chances of success in the bidding process, and enable coverage of Swansea's rural areas by a single overarching Strategy for the first time, tied in to the economic regeneration agenda through the SERP.
- 1.4 Following the successful implementation of the first Business Plan, a second much larger Plan was approved to run from 1 March 2011 to 31 December 2014. The final outturn on the programme was a total investment of £5.2m, with £3.8m EU/Welsh Government grant support through the Rural Development Plan for Wales 2007-2013. In brief the second phase covered the following themes:
- Improvement of basic services
 - Village and small town renewal and enhancement
 - Conservation and upgrading of heritage
 - Capacity building and development around food, crafts, sustainable tourism and climate change/energy.
- 1.5 Examples of the over 100 projects supported include:
- Gower Sunday bus services

- Canolfan y Bont Centre in Pontarddulais
- Rural Youth Project
- Walking and Cycling marketing materials (online and hard copy)

1.6 Following a final extension to 31 December 2014, the 2007-2013 Rural programme has now come to an end and documentation is being archived in case of future EC audits.

2.0 Wales Rural Development Programme 2014-2020

2.1 Welsh Government has recently secured approval for the next seven-year Rural programme at national level. For local delivery, the programme follows the same footprint as the previous programme using population density to classify wards as rural or urban in nature. For Swansea this means the same eight wards as previously of Bishopston, Fairwood, Gower, Llangyfelach, Mawr, Penclawdd, Pennard, Pontarddulais. Limited funding can also be supported in service centre wards of Gorseinon, Clydach and Gowerton.

2.2 The 2014-2020 programme includes two strands for use at local level. The first is a 'Rural Community Development Fund' of approximately £54m across Wales. Formal guidance is awaited on this fund, though it is likely to support similar activities to the previous programme, e.g. local transport services, village and small town enhancements, access to services, conservation. The second is the LEADER programme which is aimed at problem-solving and testing of new approaches.

2.3 Welsh Government has decided to operate the LEADER programme on the basis of indicative allocations for each local authority area with eligible rural wards. The funding is allocated on population size and density. The Swansea allocation amounts to £1.4m. To access the funding, a Local Development Strategy document had to be drafted, effectively forming the 'bid' to unlock the allocation. The document was drafted based on various discussions with local stakeholders using events run through the previous rural programme. Following discussion with the Cabinet Member for Regeneration it was agreed that the draft Rural Local Development Strategy be submitted in September 2014. Approval for the document has now been received, and 'LEADER' status for Swansea confirmed. Three funding letters are due to be received during July 2015:

- Running costs: £145,400 (100% grant)
- Animation (project development support) costs: £218,100 (100% grant)
- Implementation costs: £1,363,125 (80% grant, 20% match funding)

2.4 Match funding for implementation costs is proposed as:

- 6% 0.25 FTE Principal European Officer staff time

- 6% volunteer time (achievable based on experience of previous RDP)
- 8% flat rate overhead contribution (part of 15% flat rate overhead allocation)

2.5 Approximately £0.5m is available as grant money within the implementation project, but only to be used to support testing of innovative approaches as solutions to problems being worked on as part of the implementation of the Strategy. Over a six year period only a small number of grants per year could be supported, keeping the administrative burden manageable for the small support team.

2.6 EU regulations require the funding to be managed by an external Local Action Group partnership. No single interest is allowed to dominate, and public sector membership cannot exceed 49%. The Local Action Group must supervise implementation of the Rural Strategy and allocation of the funding. It is proposed that this be a refresh of the existing Swansea Rural Development Partnership.

2.7 The proposal is to base a small team of three officers within the European Team to administer the programme, service the Local Action Group, support project development and report to Welsh Government. The team will also provide regular updates on progress and project developments to the External Funding Panel via the Principal European Officer.

3.0 Equality and Engagement Implications

3.1 Every European programme is subject to a full Equality (and Environmental) Impact Assessment, which are available for public consultation as programme development progresses. Projects and strategies developed for submission to the programme must detail how they will address equality issues as a cross-cutting theme. The level of integration of equality into project and strategy design is part of the formal development and assessment process for every strategy and project seeking European funding. These cross-cutting themes are covered in section 8 of the Local Development Strategy, covering:

- Equal opportunities and gender mainstreaming
- Sustainable development
- Tackling poverty and social exclusion
- Welsh language

The Strategy will be subject to annual review and update. The specific ways the themes will be addressed will change as the programme progresses and the document will be updated accordingly.

4.0 Financial Implications

4.1 A number of issues have been taken into consideration in developing the strategy document based on experience from the current programming round:

- Taking advantage of opportunity to use 15% flat rate for overhead costs removing the need for an audit trail for certain internal transactions and meeting part of the match funding requirement for the programme.
- The proposed programme is deliberately smaller in scale given that staffing resources will be more limited than the previous programme. Use of the 15% flat rate overhead will also reduce administrative burden particularly in relation to audit. The proposed team is proportionate to the scale of the programme based on experience from the previous round.
- Redundancy costs are included to cover for the duration of the programme.
- Grant awards will be limited and flat rate overhead will reduce audit requests to keep impact on central services at a minimum.
- Procurement advice will be sought as appropriate and will build on good practice established via the previous Rural programme.
- Internal match funding requirement being kept low using external volunteer time and flat rate overhead.
- Document retention and storage arrangements are now following the central archiving arrangement led by the European Office, as agreed at Executive Board in June 2014.

4.2 Projected Budget

- Running costs: £145,400 (100% grant)
- Animation (project development support) costs: £218,100 (100% grant)
- Implementation costs: £1,363,125 (80% grant, 20% match funding)

4.3 With match funding comprised of:

- 6% 0.25 FTE Principal European Officer staff time
- 6% volunteer time (achievable based on experience of previous RDP)
- 8% flat rate overhead contribution (part of 15% flat rate overhead allocation)

No other costs to be incurred and appropriate management arrangements will be implemented to ensure successful grant compliance and audit.

5.0 Legal Implications

- 5.1 Documentation prepared to support implementation of current collaborative arrangements will need to be reviewed against updated WEFO and related Welsh Government guidance, taking into account lessons learned from current implementation arrangements.
- 5.2 Generally the terms attached to EU Grant Funding are legally binding and should be formally recorded in an appropriate document/contract with external delivery partners as required.
- 5.3 Procurement rules (both EU and the Council's) will have to be fully complied with in all respects, whether in relation to inter-authority services or the procurement of services from external delivery agents.
- 5.4 The Council will have to comply with all Conditions attached to the offer letters from Welsh Government.
- 5.5 Any documentation entered into as referred to in this Report will have to contain any necessary clauses required by the Head of Legal and Democratic Services and the Head of Financial Services to protect the Council's interests so far as they are able.

Background Papers:

Draft 2014-2020 Rural Local Development Strategy and spreadsheets

Agenda Item 10.a

Report of the Cabinet Member for Finance and Strategy

Cabinet - 16 July 2015

REVENUE FINANCIAL OUTTURN 2014/15

Purpose:	To report on the detailed Revenue financial outturn for 2014/15
Policy Framework:	Sustainable Swansea Budget Plan 2014/15
Reason for Decision:	This report is presented to Cabinet in accordance with Financial Procedure Rules.
Consultation:	Cabinet Members, Executive Board, Legal Services and Corporate Equalities Unit.
Recommendation:	It is recommended that the comments and variations in this report be noted, and that the proposed reserve transfers detailed in Section 5.3 are approved
Report Author:	Mike Hawes
Finance Officer:	Mike Hawes
Legal Officer:	Tracey Meredith
Equalities Officer:	Sherill Hopkins

1. Introduction and Context

- 1.1 This report details net expenditure for 2014/15 and highlights variances from the revised budget.
- 1.2 The Revenue Budget for 2014/15 was approved at Council on 18th February 2014. The budget as approved included the following proposals to address a budget deficit of £26.235m:-

<u>Budget Proposals 2014/15</u>	£'000	£'000
Specific savings proposals – (Appendix 'D')	-10,867	
Workstream savings (Appendix 'E')	-5,600	-16,467
Net effect of Council tax base increase and proposed charges		-4,043
Net increase in levies		26
Reduction in inflation provision		-951
Reduction in contribution to the Contingency Fund		-2,600
Use of General Reserves		-2,200
<u>Overall resourcing</u>		<u>-26,235</u>

- 1.3 The specific savings proposals detailed above were incorporated into Directorate budgets at service level and have been the subject of specific monitoring via the budget savings tracker, reported to Cabinet on a quarterly basis during the year. Achievement of workstream savings has equally been monitored.
- 1.4 2014/15 was also significant in that it marked the introduction, from 1st April 2014, of the Councils single status pay and grading scheme relating to all staff on NJC grades. The scheme specifically excludes Teaching staff, those on the Soulbury Scheme and Senior Officers at Head of Service/Director level.
- 1.5 Staff who were adversely affected by the introduction of the scheme have been subject to a period of pay protection ranging from 12 to 24 months depending on the scale of pay reduction implicit in their allocated grade.
- 1.6 The introduction of the scheme has been accompanied by an extensive appeals process for those staff adversely affected by pay and grading allocations made during the original allocation process. The appeals process is currently ongoing.
- 1.7 In parallel to the introduction of the single status scheme, the Council has made substantial progress during 2014/15 in settling a significant number of equal pay claims which date back over a significant period of time.
- 1.8 The extent to which appeals are successful in terms of job allocation will inevitably affect financial performance on an annual basis and impact on future budget planning.

- 1.9 The modelled costs of single status as at the implementation date have been incorporated in 2015/16 revenue budgets going forward. However, costs in respect of successful appeals – currently running at approximately 70% - have not and any costs arising from appeals will have to be met from within existing Directorate Budgets.
- 1.10 The report that follows details the Revenue outturn position for 2014/15, makes commentary on comparison with in year budget monitoring and, where appropriate, details action already taken in setting the 2015/16 Revenue Budget based on anticipated outcome at quarter 3 of the year. It remains critical that the progress on savings adopted under *Sustainable Swansea* is subject to constant review and update during each financial year and that future budgets are constantly informed by outcomes from the monitoring process.

2. Detailed Outturn Position

- 2.1 Overall expenditure for 2014/15 was £3,251,000 less than the approved budget as follows:

	£000's
Net Expenditure on Services per appendix 'A' (including 2014/15 ER/VR costs)	134
Capital charges	-340
One off VAT reclaim/corporate costs	-776
Inflation provision	-1,049
Other net underspends including Council Tax collection	-1,220
Overall net underspend	-3,251

- 2.2 Details of Service net expenditure variations is given in Section 2.4 and onwards below. The service net expenditure variations include details of non-employee service variations relating to specific activities together with an assessment of the impact of single status implementation where appropriate. Funding for single status additional costs has only been allocated to Directorate budgets for 2014/15 where there is a demonstrable need in terms of overall Directorate financial performance.
- 2.3 The outturn position is based on the assumption that the budgeted contribution of £2.2m from general reserves for 2014/15 **will actually be made**. Recommendations in terms of Reserve Movements and Review are made in Section 5 of this report.
- 2.4 Members will see from the table at 2.1 above that the net underspend at year end is largely the result of underspends arising on **Corporate one off items**. It is important that the context of these items, together with the potential impact on future years, is understood. Details of these items is as follows:-

Item	Value £'000	Explanation	Effect on 215/16 Budget
VAT Refund	-1,700	At any point in time the Council has a number of appeals outstanding regarding the VAT liability of past supplies. Where appeals are successful, any refund will attract interest back to the date of the original supply. The refunds relate to principal and interest on VAT claims	Where appeals are lodged, the outcome is often dependant on the outcome of litigation involving a lead appellant. Given the nature of the claims, they often involve contentious areas and it would be impossible to predict the outcome of any appeals both in terms of timing or amount.
Contribution to corporate bad debt provision	380	Where debts are written off during the year they are done so against an existing provision. The remaining provision is regularly reviewed and a contribution made from revenue where appropriate.	The timing and value of debt written off is variable and subject to detailed review. It would be inappropriate to budget for such a contribution during the annual budget process.
Schools pay protection – Single status.	702	This is one off cost to compensate schools for a 12 month protection period in respect of non teaching staff who were adversely affected by the outcome of single status implementation.	This will continue in 2015/16 but at a substantially reduced level as the pay protection period expires
Inflation provision	-1,049	There has been no call on the inflation provision for 2014/15	This was predicted at quarter 3 and was removed as a budget saving from 2015/16 budget proposals.

Council Tax Collection/Other	-1,220	There have been a number of initiatives with the service during 2014/15 which has led to improvements in collection rates including a commissioned review of single person discounts being awarded and more pro-active early recovery action.	This was predicted at quarter 3 although value is hard to establish until year end adjustments are made. The Council tax base calculation for 2015/16 incorporates the revised level of single person discounts currently awarded.
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2.5 The clear inference from the outturn position is that at a service level the Council has overspent, taking into account unallocated workstream savings, by £719,000. Offsetting this against a net underspend on the contingency fund of -£584,000 gives a net operational overspend of £134,000.

2.5 However, the Directorate outturn position itself is made up of a mix of over and under spends and it is clear that elements of the overspends in particular will continue into 2015/16 and, consequently, management action and, in some case, Member decisions, will be required to address the underlying issues.

2.4 The following set out the major service specific variances in 2014-15.

Corporate Services Directorate

	£
Audit fees	-160,000
Overprovision for CTRS	-765,000
Increased cost of Rent Allowances	95,000
Net Employee variance	-945,000
Other net variances	-14,000
	-1,789,000

Director Comments:-

1. At the start of 2014/15, the Directorate undertook an analysis of the 2013/14 underspend to assess the proportion that was likely to recur. This was assessed at £500k; although it was anticipated that this would increase through staff vacancies during the year.
2. Consequently, the Directorate has reported an end of year underspend at each quarter.

3. This has increased throughout the year because of the over provision for Council Tax Reduction Scheme which, although within the Directorate's budget is a corporate provision. This has occurred because of the complexity of estimating the budget requirement for 2014/15 which was only the second year where these costs became the direct responsibility of the Council. Action has been taken to include a significant ongoing element of this saving into the budget for 2015/16 approved by Council on 24th February 2015.
4. The underspend on audit fees is an in year "windfall" due to a revised assessment of costs from our external auditor based on an increase in the quality of information provided to support performance and financial data. An ongoing element of this saving (£100k) has been included in the 2015/16 approved budget.
5. The final outturn underspend on employees reflects:
 - The start of year assessment of £500k underspend
 - In year management action to reduce discretionary spend and hold vacancies as part of the overall requirement to achieve a balanced budget
 - A plan to create additional capacity in 2015/16 to deliver the changes required to implement the new operating model for Corporate Services and to support Sustainable Swansea

People Directorate - Education

	£
Employment Training	1,170,000
Out of County/Recoupment	264,000
Home to school transport	270,000
Cleaning services	133,000
Music Service	-46,000
Other net variances	<u>-65,000</u>
	1,726,000

People Directorate – Social Services

	£
Child & Family	
Looked after children	-1,965,000
Legal costs in relation to children	-342,000
Court Supported Orders	269,000
Adult Services	
Learning Disability/Mental Health placements	936,000
Domiciliary Care	620,000
Savings not achieved	597,000
Mental Health S117	190,000
Safeguarding	137,000
One off recovery of past care contributions	-400,000
External Residential Care costs	-300,000
Supporting People	-381,000
Other net variances throughout Social Services	<u>234,000</u>
	-405,000

In addition to the above there was an underspend of £248,000 on Poverty and Prevention budgets within the People Directorate.

Directors Comments:-

Education

Significant service and financial pressures have been consistently identified and reporting during the year, amounting to almost £2.5 million. Two inherently volatile and demand led budgets have added to the pressures and by their nature could not be identified earlier in the year, specifically pressures on inter-authority recoupment and home to school transport in relation to pupils with special educational needs. Robust management action has been taken during the year to as far as possible manage and mitigate these pressures through tight control of further spending.

In relation to Employment Training, there is continuing work to contain spending within the reduced funding level, consistent with drawing down the available contract income. However, given the mid-year budget reductions from Welsh Government at very short notice, the scale of the challenge was such that it became impossible to balance the budget in 2014/15. It was equally apparent that the delivery of the challenging savings target in relation to non-school cleaning budgets could only be delivered as fast as the corporate asset management review progressed in terms of reducing the number of sites, together with wider Facilities Management efficiencies with the transfer of the service.

Social Services

Child and Family Social Services continue to experience success in reducing the numbers of children looked after (LAC), and this is reflected in the financial outturn. The Safe LAC reduction strategy has been in place for a number of years and has supported more families to enable solutions that need less local authority support and intervention. The underspend is larger than originally anticipated, though it is important to note that even one family with significant support needs can change this picture significantly, so it is important not to become complacent.

Adult Services has faced a number of financial challenges over the last year, including a reduction in partner agency contributions to high cost Learning Disability and Mental Health placements. Domiciliary care continues to be challenging in terms of on-going recruitment and retention issues, some of which will be addressed through the upcoming Commissioning Review. The new Cabinet in September 2014 took a decision to reconsider the savings relating to residential care and learning disability day care that were outlined in the original 2014/15 budget. Changes in case law relating to how the Council cares for people with Deprivation of Liberty led to increased costs in that area. However, the position with regard to recovering past care contributions provided a better than anticipated position which helped to offset this slightly.

Poverty and Prevention

The Poverty and Prevention Service identified a potential overspend at Quarter 2 and managers took swift action to contain this. As a result, they achieved greater savings that brought the budget to a positive position.

Place Directorate

	£
Waste disposal costs	200,000
Street Cleansing	212,000
Purchase of highways and street cleaning vehicles	497,000
Oldway dilapidation provision	155,000
Civil Parking Enforcement income shortfall	191,000
Park and Ride Income shortfall	128,000
Provision for potential grant/taxation clawback	386,000
Commuted sums paid	215,000
City of Culture	-450,000
Commuted Sums received	-187,000
Insurance cost reductions	-200,000
Concessionary Fares	-100,000
Highways maintenance & repairs	-275,000
Additional rate refunds	-877,000
Estate rental income	-159,000
Increased Income St Davids development	-107,000
Increased income Planning, Pollution control, Crema	-318,000
Waterfront City	-217,000
Other net variances	14,000
	<hr/>
	-892,000

Director Comments:-

1. With the exception of the “windfall” rebates derived through a proactive invest to save initiative the directorate has achieved a balanced out-turn budget. Many of the services within the directorate are income dependant and many other factors affect overall spend levels. The Directorate P&FM manages this process and makes sure that for any unexpected or unforeseen overspend compensatory savings are delivered and this has successfully been achieved for this financial year.
2. In terms of overspends the costs of waste disposal have been influenced by variations in recyclates markets. Street cleansing costs have risen as a result of staff related expenditure.
3. The directorate has attempted to manage an in built cost pressure caused by waste vehicles historically being purchased from grant monies.
4. As part of the agreed accommodation strategy CCS are moving out of Oldway and have accelerated the moves meaning we need to make

“provision” for dilapidations rather than incur them in 15/16. This spend is offset against savings shown in the estate rental line of the underspends.

5. Provision has been made for potential clawback of grant from WEFO and for VAT clawback on disabled Facilities Grants.
6. With respect to the underspends a hold was placed on further expenditure on the City of Culture programme, in agreement with the Cabinet Member, to review the current programme. This work is nearing completion and a revised programme developed.
7. The rate refunds result from a previously agreed “invest to save” project which are subject to a formal appeal process and both success and timeline are outside the Council’s control and therefore impossible to predict. These are “one off backdated rebates” and the annual savings are being captured under sustainable Swansea Asset strand.
8. The increased estate rental income relates largely to additional income from the freehold ownership of the Quadrant, which is not made available until March 2015 and is reflected in forward budget adjustments.
9. Income targets in Economic Regeneration and Planning have been exceeded in relation to the St David’s car park and planning income following a recent unanticipated increase in development. The additional income from WEFO in the Waterfront City project is ring-fenced for City Centre regeneration. Similarly income in Housing and Public Protection has increased, primarily in relation to increased activity at the Crematorium.

3. Items met from the Contingency Fund

- 3.1 The Cabinet Report on 18th February 2014 highlighted a number of items which would need to be met from the Contingency Fund in 2014/15.
- 3.2 The £4.073m shown at Appendix ‘A’ represents the cost of the ER/VR exercise for 2014/15 which has been charged to the Contingency Fund on an ‘Invest to Save’ basis. This sum – considerably greater than previous years – reflects the inevitable workforce reductions implicit within the budget proposals for 2014/15 and 2015/16 contained within the ‘Sustainable Swansea- Fit for the Future’ Budget strategy adopted by the Council. These costs are expected to increase in 2016/17 and beyond. As in prior years access to ER/VR requires a maximum payback period of three years for any employee who leaves under the scheme.
- 3.3 In addition to the above, the cost of increases in care home fees for 2014/15 (£500,000), the costs of utilising consultants to bring properties for sale to market more rapidly (£50,000) and the additional costs of the Carbon Reduction Scheme (£193,000) over and above that budgeted

have been met from the fund but have effectively been met through an increase in service budgets and expenditure.

- 3.4 The total met from the fund for 2014/15 is therefore some £4.816m. Compared to the original budget of £5,400,000 this results in an underspend for the year of £584,000 as shown in the outturn summary at appendix 'A'.

4 Schools Expenditure and Reserves Position

- 4.1 The Schools delegated budget for 2014/15 was £138,304,100.
- 4.2 This delegated budget in reality reflects in actual expenditure as shown in the education directorate line of the outturn summary given at appendix 'A', and any variation in expenditure incurred by Schools at a level greater/less than overall delegated budgets will result in a movement in ring-fenced delegated schools reserves.
- 4.3 During 2014/15 Schools expenditure overall was £2,478,650 less than the delegated budget, equating to an underspend of 1.79%.
- 4.4 The effect of this is to add the underspend to Schools reserves.

The following is a summary of overall Schools Reserves since 1st April 2012:

	Balance 1/4/2012	Balance 31/3/2013	Balance 31/3/2014	Balance 31/3/2015	Overall increase over 3 year period (%)
Primary	3,949,381	4,386,436	5,054,274	6,722,267	70.2
Secondary	1,037,662	2,070,208	2,156,573	2,799,364	169.8
Special	134,804	43,287	64,983	232,849	72.7
Total	5,121,847	6,499,931	7,275,830	9,754,480	90.4

- 4.5 Of course the above table is presented to reflect the quantum of schools reserves against each stream and the position within individual schools may vary considerably from the trend shown.
- 4.6 It has to be acknowledged however that the funding settlement for Schools in respect of 2015/16 is challenging and it is expected that the outturn position for 2015/16 will evidence some call on existing reserves.

5. Summary of Outturn Position and Recommendations

- 5.1 Excluding one-of Corporate items the outturn position for 2014/15 largely reflects the forecast position at quarter 3 (Reported to Cabinet in February 2015) i.e. an approximate break even position.
- 5.2 This is the minimum that should be expected in terms of Service Revenue Budgets and, indeed, experience from a number of English

Local Authorities suggests that, where the Council is on a known long term reduction strategy, then a modest underspend should become the norm in the light of advance action being taken to achieve subsequent year savings. However, as stated above, this will only provide some in year flexibility to manage the risks around the timing of the delivery of savings and must not be allowed to delay decisions about savings and the implementation of these.

5.3 The Revenue Budget as set by Council on 18th February 2014 approved the use of General Reserves totalling £2.2m to support the 2014/15 budget. Based on the net Revenue underspend position arising out of the outturn statement, which includes the balance arising from contingency fund activities, it is recommended that:-

5.3.1 The following transfers are made TO earmarked Revenue Reserves as follows:-

- Sums required to support Sustainable Swansea development and facilitate the development of Corporate Council wide initiatives totalling £624,000. This will include for example the funding of the Corporate Financial Strategy team
- Commuted Sums Received £187,000
- Specific Social Services Reserves for Supporting People and Community Equipment store £507,000
- Underspends on 2014/15 Members Environmental Allowance Schemes £55,000
- Crematorium Mercury abatement reserve £71,000
- Commitment to meet City Centre strategy costs £214,000
- Other technical adjustments £59,000

5.3.2 The reduced sum of £667,000 be taken from General reserves to support the 2014/15 Revenue Outturn position.

5.3.3 This would result in a revised outturn summary as highlighted at Appendix 'B' of this report.

5.4 Notwithstanding these proposed transfers, it is a duty of the Section 151 Officer to consider levels of General and earmarked reserves in order to continually monitor their adequacy and projected use. This has to be done in terms of both current known and projected future liabilities.

5.5 To this extent the Section 151 Officer is undertaking a full review of all current earmarked reserves to be reported to a future Cabinet meeting. It is likely, however, that the outcome of this will be a re-categorisation of a number of reserves in order to create a financial resource for what is seen as inevitable and substantial future downsizing costs.

5.6 It is the opinion of the Section 151 Officer at this point that there is no scope within General or earmarked reserves to fund any additional expenditure of the Council beyond that currently approved given the current risks facing the Council in terms of continuing Single status

issues and the uncertainty of future Welsh Government funding streams.

6. Legal Implications

- 6.1 There are no legal implications relating to matters contained within this report.

7. Equalities Implications

- 7.1. There are no equalities implications arising from this report. Equalities implications are identified and addressed by departments via the Equality Impact Assessment process at the time that budgets are approved.

Background papers: None

Appendices: Appendix 'A' Revenue Outturn Summary 2014/15

Appendices: Appendix 'B' Revised Revenue Outturn Summary 2014/15

Revenue Outturn Summary 2014/15**Appendix 'A'****Directorate**

	Revised Budget £'000	Revenue Outturn £'000	Variance £'000	Variance %
Corporate Services	45,893	44,104	-1,789	-3.9
People - Poverty and Prevention	4,965	4,717	-248	-5.0
People - Social Services	105,083	104,678	-405	-0.4
People - Education	161,179	162,905	1,726	1.1
Place	53,042	52,150	-892	-1.7
Net Directorate expenditure	370,162	368,554	-1,608	-0.4
Additional Savings	-2,327		2,327	
Financed from Contingency Fund	4,657	4,073	-584	
Total Service costs	372,492	372,626	134	
Corporate provision for inflation	1,049	0	-1,049	
Corporate items		-776	-776	
<i>Levies:</i>				
Swansea Bay Port Health	94	94	0	
<i>Contributions:</i>				
Combined Fire Authority	11,524	11,524	0	
	385,159	383,469	-1,690	
<i>Capital financing charges</i>				
Principal repayments	14,033	13,436	-597	-4.3
Net interest charges	13,651	13,908	257	1.9
Net Revenue Expenditure	412,843	410,813	-2,030	-0.5
Movement in balances				
General Balances	-2,200	-2200	0	
Earmarked reserves	2,641	5,891	3,250	
Total Budget Requirement	413,284	414,504	1,220	
Discretionary NNDR relief	375	347	-28	-7.5
Total CCS requirement	413,659	414,851	1,192	
Community Council precepts	868	868	0	
Total spending requirement	414,527	415,719	1,192	0.3
Revenue Support Grant	241,788	241,788	0	
NNDR	76,436	76,436	0	
Council Tax	96,303	97,495	1,192	1.2
Total financing	414,527	415,719	1,192	0.3

Directorate

	Revised Budget £'000	Revenue Outturn £'000	Variance £'000
Corporate Services	45,893	44,104	-1,789
People - Poverty and Prevention	4,965	4,717	-248
People - Social Services	105,083	104,678	-405
People - Education	161,179	162,905	1,726
Place	53,042	52,150	-892
Net Directorate expenditure	370,162	368,554	-1,608
Additional Savings	-2,327		2,327
Financed from Contingency Fund	4,657	4,073	-584
Total Service costs	372,492	372,626	134
Corporate provision for inflation	1,049	0	-1,049
Corporate items		-776	-776
<i>Levies:</i>			
Swansea Bay Port Health	94	94	0
<i>Contributions:</i>			
Combined Fire Authority	11,524	11,524	0
	385,159	383,469	-1,690
<i>Capital financing charges</i>			
Principal repayments	14,033	13,436	-597
Net interest charges	13,651	13,908	257
Net Revenue Expenditure	412,843	410,813	-2,030
Movement in balances			
General Balances	-2,200	-667	1,533
Earmarked reserves	2,641	4,358	1,717
Total Budget Requirement	413,284	414,504	1,220
Discretionary NNDR relief	375	347	-28
Total CCS requirement	413,659	414,851	1,192
Community Council precepts	868	868	0
Total spending requirement	414,527	415,719	1,192
Revenue Support Grant	241,788	241,788	0
NNDR	76,436	76,436	0
Council Tax	96,303	97,495	1,192
Total financing	414,527	415,719	1,192

Agenda Item 10.b

Report of the Cabinet Member for Finance and Strategy

Cabinet - 16 July 2014

REVENUE OUTTURN 2014/15 – HOUSING REVENUE ACCOUNT [HRA]

Purpose:	This report details the City and County of Swansea's HRA outturn compared with the approved revenue budget for 2014/15.
Policy Framework:	Budget plan 2014/15.
Reason for Decision:	This report is presented to Cabinet in accordance with Financial Procedure Rules.
Consultation:	Cabinet Members, Executive Board, Legal and Access to Services.
Recommendations:	It is recommended that (a) the variations detailed in the report are noted;
Report Author:	A. Dyer
Finance Officer:	A. Dyer
Legal Officer	T.Meredith
Access to Services Officer:	Sherill Hopkins

1. Summary of HRA outturn for 2014/15.

- 1.1 The HRA showed a surplus of £3.167m compared with the revised budgeted deficit as outlined in the report to members on 24th February 2015 of £1.45m. The summarised HRA is set out in Table A in the Appendix.
- 1.2 The main reason for this underspend and movement against revised deficit of some £4.62m is set out below :-

Item	£m
Reduction in Revenue Funding for capital schemes	3.319
Repairs & Maintenance	0.546
Cost of Borrowing	0.384
Income / Grants & Credits	0.230
Employees	0.205
Reduction in Bad Debt provision	0.130
Other	0.074
Negative Housing Subsidy Shortfall	-0.268
Net underspend	4.620

- 1.3 The reduction in the Revenue Funding for capital schemes was as a result of slippage on the Capital Programme. In particular, delays in the commencement of the two High Rise refurbishment schemes has meant that significant amounts have been slipped into the 2015/16 budget. From a revenue perspective this budget has been retained in the HRA reserves in order to fund the works in 2015/16.
- 1.4 The underspend on repairs and maintenance was as a result of reductions in overheads, improved performance against new targets set as part of the new charging method introduced by Corporate Building Services because of Job Evaluation. Budgets for 2015/16 have been reduced to reflect the savings that the new process has achieved
- 1.5 Employees costs were less than planned due to current vacancies.

2. Reserves

- 2.1 The opening balance for the year was £13.968m. With the surplus of £3.167m the closing balance is £17.135m. This is sufficient to fund the slippage of work in to 2015/16 and the £4.19m approved in February to fund this year's programme. Summary reserves position including revised usage for 2015/16 resulting from the capital slippage is set out in Table B in the Appendix.

3. Legal Implications

- 3.1 There are no legal implications.

4. Equalities Implications

- 4.1 There are no equalities implications arising from this report. Equality impact assessments are carried out in respect of HRA budgets at the time that budgets are approved.

Background Papers – None

Appendix – Table A: Summarised HRA

Table A: Summarised HRA 2014/15

Classification	Revised Budget 2014/15	Actual 2014/15
	£'000	£'000
<u>Expenditure</u>		
Management and Maintenance	27,057	25,559
Capital Charges	4,665	4,281
Revenue Funding for capital schemes	17,953	14,634
Negative subsidy	5,575	5,843
Total Expenditure	55,250	50,317
<u>Income</u>		
Rents and other income	53,800	53,484
Use of balances	1,450	-3,167
Total Income	55,250	50,317

Table B: Movement in Balances 2014/15 to 2015/16

Description	£000's
Actual balance at 1 st April 2014	13,968
Actual transfer to Reserves 2014/15	3,167
Budgeted balance 31st March 2015	17,135
Budgeted use 2015/16	-4,190
Forecast balance 31st March 2016	12,945

N.B. Actual usage in 2015/16 will dependent upon final Capital requirements including slippage of schemes from 2014/15.

Report of the Cabinet Member for Finance and Strategy

Cabinet - 16 July 2015

CAPITAL OUTTURN AND FINANCING 2014/15

Purpose:	This report details capital outturn and financing for the year ended 31 March 2015.
Policy Framework:	Budget Plan 2014/15.
Reason for Decision:	This report is presented to Cabinet in accordance with Financial Procedure Rules
Consultation:	Cabinet Members, Executive Board, Legal Services and Access to Services
Recommendation:	It is recommended that the net under spending of the approved budget of £27.413m be carried forward to 2015/16.
Report Author:	Mike Hawes
Finance Officer:	Mike Hawes
Legal Officer:	Tracey Meredith
Access to Services Officer	Sherill Hopkins

1. Background

- 1.1 The original capital budget for 2014/15 totalled £93.343m. During 2014/15 this figure was increased by £25.821m to make a revised budget of £119.164m.

The net increase was the result of:

- a) The addition of grant funded schemes and Equal Pay Capitalisation Directive awarded after Council approved the original programme,
- b) Delayed spending from 2013/14.

2. **Outturn 2014/2015**

- 2.1 Capital outturn in 2014/15 on the approved budget was £91.751m, an under spend of £27.413m which is detailed in Appendix A. Apart from a small number of exceptions, the under spends in the capital budget represent delayed spending on approved schemes. As such, the unspent budget will need to be carried forward to 2015/16. The main underspends are set out in Appendix C.
- 2.2 Appendix A shows the breakdown of Capital Expenditure and variances in respect of individual Directorates and highlights the sum of £24.582m spent on HRA properties during the year
- 2.3 Notwithstanding the under spending mentioned above, the capital outturn represents a significant expenditure on a number of major projects. Appendix B lists projects with expenditure in excess of £0.5m.

3. **Financial Implications**

- 3.1 2014/2015 expenditure will be financed as follows:-

Financing requirement:	£000
Unfinanced in 2013/2014	1,630
2014/15 expenditure	91,751
Total financing requirement	93,381

Financing:	£000
Supported Borrowing - General	21,480
Supported Borrowing - Highways	4,489
Unsupported Borrowing	6,297
Grants and contributions	37,794
Capital receipts, revenue budget and reserves	20,207
To be financed 2014/15	3,114
Total financing	93,381

4. **Legal Implications**

- 4.1 There are no legal implications.

5. **Access to Services Implications**

- 5.1 There are no equalities implications arising from this report. A full analysis of equalities implications is carried out as part of the annual budget process and any expenditure detailed in this report is on approved schemes.

Background papers: None
Appendices: A, B and C.

Appendix A

2014/15 CAPITAL PROGRAMME - OUTTURN SUMMARY

DIRECTORATE COMPARISON	ORIGINAL BUDGET 2014/15	REVISED BUDGET 2014/15 £'000	OUTTURN 2014/15 £'000	NET OVER (UNDER) SPENDING £'000
RESOURCES	1,767	12,487	11,209	(1,278)
PEOPLE	17,918	17,949	16,052	(1,897)
PLACE	73,658	88,728	64,490	(24,238)
TOTAL	93,343	119,164	91,751	(27,413)

BUDGET BOOK COMPARISON	ORIGINAL BUDGET 2014/15	REVISED BUDGET 2014/15 £'000	OUTTURN 2014/15 £'000	NET OVER (UNDER) SPENDING £'000
21 CENTURY SCHOOLS	17,797	14,475	13,719	(756)
GENERAL FUND SERVICES	37,046	77,782	53,450	(24,332)
HRA	38,500	26,907	24,582	(2,325)
TOTAL	93,343	119,164	91,751	(27,413)

Appendix B

PROJECTS WITH SPENDING IN EXCESS OF £0.5M

Project	£'000s
Equal/back pay capitalisation settlement	10,100
ICT schemes	1,109
Morfa Road phases 1&2	1,238
Townhill/Mayhill SRIC	515
Carriageway resurfacing	2,273
Prudential Borrowing Highways schemes	5,061
Footway Renewals	692
Boulevard Phase 1 works	3,859
Vibrant & Viable Places Project	3,000
Refurbishment of Swansea Market	1,148
Felindre infrastructure	861
Glyn Vivian improvement works	2,647
Dylan Thomas Exhibition Refurbishment	747
Burlais Primary new build	5,941
Gowerton Primary new build	2,193
Glyncollen Primary extention	584
Morrison Comprehensive refurbishment	4,271
Flying Start Projects	646
Schools building capital maintenance	3,151
Housing Renovation/Disabled Facility Grants	3,983
Housing other grants	532
Housing loans	933
Brangwyn Hall Refurbishment Works	2,374
Other buildings capital maintenance	1,401
HRA non traditional programme works	518
HRA Window & Door replacements	1,732
HRA Enveloping Works/Roofing works	7,649
HRA Refurbishment/rewiring programme	5,200
HRA Improvements/BISF Houses	2,200
HRA Security Measures	821
HRA Energy/Boiler Replacement Programme	2,645
HRA Tenant Adaptations Programme	3,007
HRA Landscaping/Area Enhancement	810
Total	83,841

Appendix C

PROJECTS UNDERSPENT IN EXCESS OF £0.25M

Project	£'000s	Comment
Pont y Lon bridge	341	Scheme to be developed as insufficient budget to complete the required works
2014-15 bridges / retaining walls	263	The majority of this underspend is likely to be allocated to the Pont y Lon bridge scheme in 2015-16.
Highways PB Light Energy scheme	496	Final year of PB schemes spend will be achieved early in 2015-16
Morfa Distributor Road	442	Scheme not fully achieved due to delays in commencing this phase. The works will be completed in 2015-16 as part of this years LTF grant bid.
ICT central storage	430	Alternative options for this project are being explored following the announcement to sell Civic Centre
Telephony System replacement	500	Technology options are being investigated
Lonlas Primary new build	292	Delay due to decisions surrounding temporary accommodation solution during building works
Gowerton Primary new build	421	Start date delayed by 1 - 2 months due to delays in contract agreement sign off
Mayhill Family / Medical Centre	543	Delay in decision regarding the building price.
Building Capital Maintenance.	761	Various underspends on CBPS schemes
Guildhall relocations	256	Rolling budget to carry forward into 2015-16
Guildhall Accommodation Strategy	299	Rolling budget to carry forward into 2015-16
Server Hardware Agile working	332	Rolling budget for agile working infrastructure to carry forward into 2015-16
Boulevard (Waterfront scheme)	1,385	The majority of this budget has been spent in Apr / May 2015 and any balance will be spent on an alternative Waterfront

BEP grants	4,033	scheme by June 2015 Linked to the Waterfront WEFO scheme and scheduled to be spent by June 2015.
North Quarter High Street Corridor	454	This budget balance will be allocated to an alternative Waterfront scheme and spent by June 2015
Gloucester Place Public Realm work	300	Project not completed within Waterfront Scheme
Swansea Vale infrastructure works	400	Scheme delayed
Felindre infrastructure works	802	Final work on this grant funded scheme will be complete by 31 July 2015
Swansea market roofing works	1,425	Work started later than anticipated. Completion due September 2015
Glyn Vivian refurbishment	1,000	The scheme has faced delays due to unforeseen difficulties. The Works are due for completion in October 2015
HRA WWP Clyne / Jeffreys Court	755	Delay in commencing project. Forecasting to catch up in 2015/16
HRA Energy Efficiency grant support	554	Delay procuring contractor. Budget committed for spend in 2015/16
Housing Renovation/Disabled Facility Grants	1298	Rolling capital programme. Budget committed for spend in 2014/15
Emergency Repair fund	259	Budget reduced for 2015/16. To be targeted as part of Sandfields Renewal Area programme
Property Appreciation Loans	386	Rolling capital programme. To be targeted as part of Sandfields Renewal Area programme
Houses to Homes Loans	682	Rolling capital programme.
National Home Improvement Scheme	380	New scheme which will commence in 2015/16
Sandfields Renewal Area	628	Delays in commencing scheme
Capital Contingency/Emergencies	233	To be retained for emergency works
Other	7,063	Various schemes
Total	27,413	

Report of the Cabinet Member for Finance and Strategy

Cabinet – 16 July 2015

BUSINESS RATES – TEMPORARY RETAIL RATE RELIEF SCHEME (WALES)

Purpose:	To provide information and to consider the adoption of the temporary retail relief scheme relating to Business Rates that was introduced by Welsh Government (WG) in 2014 and is continued for the current financial year.
Policy Framework:	None.
Reason for Decision:	Legislative requirement and Welsh Government grant funding condition.
Consultation:	Legal, Finance and Access to Services.
Recommendation(s):	It is recommended that: 1) The details of the scheme in this report are noted. 2) The retail relief scheme as outlined in paragraph 2.0 of the report is adopted.
Report Author:	Martin Webborn
Finance Officer:	Mike Hawes
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1.0 Introduction

1.1 The Welsh Government (WG) introduced the temporary retail rate relief scheme to reduce Business Rates (BR) in certain circumstances in 2014 and has extended the scheme for the current financial year. Guidance to the Scheme is found at:

<http://gov.wales/docs/det/publications/150408walesretailen.pdf>

1.2 The rate relief under the scheme is available for 2015/16 and WG has offered funding to each local authority in Wales under section 31 of the Local Government Act 2003 to re-imburse authorities for expenditure up

to a defined limit incurred for the purpose of providing relief under the scheme. The funding is subject to authorities formally accepting the grant offer.

- 1.3 It is a condition of the grant that the relief under the scheme is provided by way of discretionary rate relief under section 47 of the Local Government Finance Act 1988. The qualifying criteria for the Retail Relief Scheme have been set by WG and there are no powers to vary. The local discretionary rate relief scheme currently used to grant relief to charities and other organisations does not require amendment.
- 1.4 Arrangements are in place for applications to be available for the Retail Relief Scheme in hard copy and on the Council web-site.

2.0 Wales Retail Relief Scheme

2.1 Funding of up to £1,619,087 is being made available to the Authority to grant relief of up to £1,500 against the BR bill for certain occupied retail properties with a rateable value of £50,000 or less in the financial year 2015-16, subject to state aid limits

2.2 The main objective of this scheme is to support businesses in Wales that are responding to the challenges that result from the changing retail environment. It is also aimed at contributing to the development of sustainable and vibrant town centres.

2.3 To benefit from the scheme properties must be:

a) Either:

- (i) Used for the sale of goods to visiting members of the public.
- (ii) Used for the provision of certain services, or
- (iii) Used for the sale of food and/or drink to visiting members of the public.

2.4 WG has set out the uses that it **does not** consider to be retail use for the purpose of this relief:

a) Either:

- (i) The provision of financial, medical or professional services, post office sorting offices, tourism accommodation, sports clubs, children's play centres, day nurseries, outdoor activity centres, gyms, kennels and catteries, show homes and marketing suites and employment agencies or,
- (ii) Premises that are not reasonably accessible to visiting members of the public.

3.0 Implementation of the Schemes

3.1 WG has provided the following to authorities:

- Guidance for the Retail Relief scheme,
- A grant offer letter (which requires formal acceptance following adoption of the schemes)
- A template application form for the Retail Relief scheme.

3.2 The temporary scheme outlined above should be adopted as specified in the recommendations above.

3.3 The most recent estimates suggest approximately 1100 cases are eligible to apply and applications will be issued to eligible ratepayers. This will involve significant extra workload for the BR team.

4.0 Financial Implications

4.1 WG has specified the amount of funding available for the scheme and any award made in excess of the amounts may have to be met by the Authority.

4.2 There is an amount of £1,500 to support the administration and marketing costs of the Retail Relief Scheme.

5.0 Legal Implications

5.1 None.

6.0 Equality and Engagement Implications

6.1 An EIA Screening Form has been completed with the agreed outcome that a full EIA report is not required, as the qualifying criteria for the Retail Relief scheme has been set by WG and there is no power to vary. Applications will be considered from all eligible ratepayers and relief awarded as per the criteria set out in this report

Background Papers: None

Appendices: None

Agenda Item 10.e

Report of the Cabinet Member for Finance and Strategy

Cabinet - 16 July 2015

EXTERNAL FUNDING PANEL

Purpose:	To amend the membership of the External Funding Panel.
Policy Framework:	Medium Term Financial Plan; <i>Sustainable Swansea – fit for the future</i>
Reason for Decision:	To increase the membership of the External Funding Panel.
Consultation:	Finance, Legal.
Recommendation(s):	It is recommended that: 1) The Voting Members of the External Funding Panel be increased so as to include all 10 Cabinet Members.
Report Author:	Huw Evans
Finance Officer:	Mike Hawes
Legal Officer:	Tracey Meredith
Access to Services Officer:	Euros Owen

1. Introduction

1.1 Cabinet at its meeting on 6 May 2014 established the External Funding Panel. Cabinet made a number of amendments to the Panel on 4 November 2014.

1.2 The Panel was created to oversee the Council's external funding arrangements with two distinct roles:

- a) Oversight of the allocation of all third sector funding across the Council;
- b) Oversight of the Council's external funding opportunities.

2. Membership of the External Funding Panel

2.1 Currently, there are 5 voting members on the Panel. It is proposed to increase this number to include all of the Cabinet Members (10). This change will not affect the quorum which will remain as 3 voting members.

- 2.2 It is not proposed to make any changes to the Observers (Non Voting Members). They shall remain as outlined below:

Observers (Non-Voting Members)

Position	Post Holder(s)
Attend for Third Sector Matters Only 2 x Representatives from the Third Sector (To be nominated by the Third Sector Working Group)	Carol Green Mary Lithgoe
Attend for Community Action Transformation Fund Matters Only 1 x Representative of Community / Town Council (C/T C) (The Clerk of the relevant Community / Town Council shall be invited to submit comments and on occasion the Chair of the C/T Council or Deputy shall be invited to attend)	Mainly comments only via e-mail however relevant Chair is required by the Panel.

- 2.3 The Term of Office for Observers (Non Voting Members) shall be until such time as the Authority is notified of any change by the nominating body (e.g. Third Sector Working Group or Community / Town Councils Forum).

3. Equality & Engagement Implications

- 3.1 Equality Impact Assessments will be undertaken as appropriate on any decision to change significantly funding to third sector organisations including any engagement required. As it develops the Council’s Third Sector Policy will be subject to the Equality Impact Assessment process.

4. Financial Implications

- 4.1 There are no direct financial implications arising from this report. The proposal will assist the Council to achieve greater value for money from the use of external funding and to manage the risks involved more effectively.

5. Legal Implications

- 5.1 Section 15 of the Local Government Act 2000 allows an Executive to delegate some of its functions to a committee of the Executive. This is such an arrangement.

Background Papers: None.

Appendices: None.

Agenda Item 11.a

Joint Report of the Cabinet Members for Finance and Strategy and Transformation and Performance

Cabinet – 16 July 2015

ANNUAL 2014/15 PERFORMANCE MONITORING REPORT

Purpose:	To report Corporate and Service Performance for 2014/15
Policy Framework:	'Standing up for a better Swansea' Corporate Improvement Plan 2013/17 – updated for 2014/15
Reason for Decision:	To receive and review the performance results for 2014/15
Consultation:	Legal, Finance, Access to Services.
Recommendation(s):	It is recommended that: 1) Performance is reviewed to help inform executive decisions on resource allocation and, where relevant, corrective actions to manage and improve performance and efficiency in delivering national and local priorities
Report Author:	Richard Rowlands
Finance Officer:	Carl Billingsley
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1.0 Introduction

1.1 This report presents performance results for the financial year 2014/15. The report also provides an update in relation to progress delivering the Policy Commitments as at the end of the financial year 2014/15.

1.2 The outturn presented in the performance tables (Appendices A, B and C) and Policy Commitments Tracker (Appendix D) needs to be considered alongside the current financial situation of the Council. The financial resources required to achieve the specified performance levels in 2014/15 have been provided in the approved budget. As part of the work on *Sustainable Swansea – Fit for the future* there will be an increased focus on understanding the level of activity and outcomes that

are achieved for the budget allocated so that choices can be made about relative priorities.

2.0 Context

2.1 When making comparisons between previous years and 2014/15, the following should be considered:

2.1.1 The nature and number of some performance indicators (PIs) has changed between these two periods and therefore direct comparisons may not always be appropriate.

2.1.2 The results do not always account for changes in resources and workload during that period (although details can be seen in the numerator and denominator information and in the comments column of the data tables attached to this report).

2.1.3 There may be changes to the numerator and denominator information which may affect the trends by showing a decline while the volume of work has increased.

2.1.4 Comparisons and references made to previous performance results and longer term trends go back as far as 2008/09, although some performance indicators may have older data available. A proper comparison with national performance data will not be possible until the 2014/15 national performance results are published later in 2015.

3.0 National and local performance indicators

3.1 The Council is subject to the National Performance Improvement Framework and as such has to collect, monitor and report on a number of performance indicators that are set by the Welsh Government or Welsh Local Government to measure their shared priorities with Welsh Council's.

3.2 The Council also reports a small number of locally defined performance indicators. The performance tables attached to this report illustrate Swansea's performance in 2014/15 in comparison to other Councils in Wales using published national performance data for 2013/14.

4.0 Performance Targets

4.1 Targets for Council priorities were discussed and agreed between Heads of Service and Cabinet Members so that they are stretching and challenging. Further discussion and consideration will be required as part of Sustainable Swansea debate around which areas are priorities and which are not and target setting for performance improvement.

5.0 Outturn

- 5.1 In 2014/15, the Council adopted a new Corporate Plan. The Corporate Plan 2015/17 *Delivering for Swansea* identified the Council's 5 key priorities. The 5 key priorities are:
- a) Safeguarding Vulnerable People
 - b) Improving Pupil Attainment
 - c) A Vibrant and Viable City and Economy
 - d) Tackling Poverty
 - e) Building Sustainable Communities
- 5.2 In preparation, the existing performance indicators in the corporate performance indicator suite were reviewed and prioritized for their suitability in measuring the priorities outlined in the Corporate Plan.
- 5.3 This exercise led to the reduction in the numbers of existing performance indicators in the corporate performance indicator suite in readiness for 2015/16 reporting; the indicators that have been removed will be replaced by indicators from the new Corporate Plan.
- 5.4 This report serves as a transition towards measuring the Council's priorities outlined in the new Corporate Plan 2015/17. **Appendix A** contains the remaining performance indicators that were prioritized for their measurement of the priorities described in the Corporate Plan and which will continue to be reported in 2015/16. In 2015/16, these indicators will also be supplemented by performance indicators derived from the Corporate Plan 2015/17.
- 5.5 The tables below summarise the 2014/15 performance outturn **by priority**:

Corporate PI outturn 2014/15 by priority

2014/15	Number Met Target	Number Missed Target	Number within 5% of Target
Safeguarding Vulnerable People	6	15	6
Improving Pupil Attainment	11	3	1
A Vibrant and Viable City and Economy	4	4	1
Tackling Poverty	1	0	0
Building Sustainable Communities	5	5	1
Supporting Services	2	1	0
Totals	29	28	9

- 5.6 The tables below summarise the 2014/15 improvement compared to 2013/14 **by priority**:

Corporate PI improvement 2014/15 compared to 2013/14 - by priority

2014/15	Number Improved	Number Declined	Number Static
Safeguarding Vulnerable People	8	12	1
Improving Pupil Attainment	11	3	1
A Vibrant and Viable City and Economy	2	5	1
Tackling Poverty	1	2	0
Building Sustainable Communities	5	5	0
Supporting Services	1	2	0
Totals	28	29	3

- 5.8 **Appendix E** is a supplementary paper that sets out an overview of performance in Appendix A by Directors and Heads of Service who are responsible leads for corporate priorities.
- 5.7 **Appendix B** contains the remaining performance indicators that are to be removed from the corporate performance indicator suite in 2015/17.
- 5.8 **Appendix C** contains the performance indicators that formed part of the Council's Corporate Improvement Plan 2013/17 – updated for 2014/15. Some of these indicators have been incorporated into the corporate suite for 2015/16 reporting while others have been removed from the suite following the review.
- 6.0 Policy Commitments Tracker**
- 6.1 The Policy Commitments represent the Council's key priorities for delivery and were adopted by Council on 26th July 2012. Policy Commitments vary in their nature, some have specific in year outcomes, and others are targets to progress toward over 5 or more years.
- 6.2 The Policy Commitments Tracker at **Appendix D** monitors the Council's progress delivering the Policy Commitments as at the end of 2014/15.
- 6.3 Note that this will be the last time that the Policy Commitments Tracker will appear in this format. From Quarter 1 2015/16, the key Policy Commitments linked to the 5 key corporate priorities and performance will be reported together.

6.4 In summary:

Policy Commitments

Progress delivering Policy Commitments 2014/15	Total
Blue - complete	13%
Green – On track	75%
Amber – Progress delayed	9%
Red – significant delays / no progress	3%

7.0 Equality & Engagement Implications

7.1 This report has no direct equality and engagement implications itself although the data reported may form part of the information that leads to a service screening for and undertaking an EIA as required.

8.0 Financial Implications

8.1 In the current and anticipated financial environment further discussion and consideration will be required around priorities and target setting for performance improvement as part of *Sustainable Swansea – fit for the future*.

9.0 Legal Implications

9.1 There are no legal implications associated with this report.

Background Papers: None.

Appendices:

Appendix A – Strategic End of Year PI Report 2014-15 by priority;

Appendix B – Strategic End of Year PI Report 2014-15;

Appendix C – Corporate Improvement Objectives end of year 2014/15;

Appendix D – Policy Commitments Tracker 2014/15;

Appendix E – Directors Overview of Performance 2014/15.

Report of the Cabinet Member for Transformation and Performance

Cabinet – 16 July 2015

SUSTAINABLE SWANSEA – FIT FOR THE FUTURE: DELIVERY PROGRAMME REVIEW

Purpose:	To revise the Delivery Programme for the <i>Sustainable Swansea – fit for the future</i> strategy following a review of progress so far and the changes required to address the targets contained in the Medium Term Financial Plan
Policy Framework:	<i>Sustainable Swansea – fit for the future</i> Medium Term Financial Plan and Budget
Reason for Decision:	To seek Cabinet approval for the revised Delivery Programme for <i>Sustainable Swansea</i>
Consultation:	Cabinet Members, Executive Board, Legal, Finance, Access to Services Team
Recommendation(s):	It is recommended that Cabinet: <ol style="list-style-type: none">1. Approves the revised Delivery Programme for <i>Sustainable Swansea – fit for the future</i> as set out in the Appendix to this report2. Refers the Delivery Programme to Council for information
Report Authors:	Dean Taylor Executive Board
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1.0 Introduction

1.1 This report contains proposals from the Executive Board to revise the Delivery Programme for the Council's *Sustainable Swansea – fit for the future* strategy following a review of progress and developments over the past last year.

1.2 The review report covers:

- **Background to the Review**... review objectives and how the review was undertaken
- **Sustainable Swansea Strategy**... conclusions and recommendations about the overall aims and shape of the programme and the 4 Workstreams
- **Delivery Strands Achievements**... a summary of what we have achieved so far for each of the 14 Delivery Strands
- **Future Delivery Strands**... proposals for the future Delivery Strands, including an estimate of savings across the next 3 years
- **Delivery and Resourcing**... an overview of delivery and a statement of resources allocated to the Programme, what these will achieve and how they will be deployed, including the development of Service Delivery Plans
- **Governance**... changes to the governance arrangements for *Sustainable Swansea*
- **Communications**... proposals for future internal and external communication and engagement on the programme
- **Risks and Issues**... statement of the top risks and issues and how these will be managed and addressed

1.3 It is proposed that, following Cabinet approval, a summary of the paper is reported to Council.

2.0 Background

2.1 *Sustainable Swansea – fit for the future* was approved by Cabinet on 15 October 2013 and was subsequently reported to Council on 22 October 2013. The first Delivery Programme was approved by Cabinet on 29 July 2014. Strategic savings targets for the Programme are contained within the Medium Term Financial Plan (MTFP) approved by Council on 24 February 2015.

2.2 Work has taken place since February 2015 to update the Delivery Programme. The review has addressed two key areas:

- **Savings**... the allocation of the additional savings across the Programme to meet the three year £80m target in the MTFP
- **Delivery**... what we have achieved so far and the future shape of the programme and the 4 Workstreams

2.3 The **Appendix** to this report (and its own Appendices) set out the conclusions of the review and proposals for a revised Delivery Programme.

2.4 This covering report provides a summary of each section.

3.0 Sustainable Swansea Objectives

3.1 The scale of the financial, demographic and sustainability challenges requires the Council to adopt a radically different approach to previous years. An approach that focuses 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 is set out in *Sustainable Swansea – fit for the future*. The Strategy is underpinned by our work on Innovation.

3.2 The conclusions and recommendations about the overall aims and shape of the programme and the 4 Workstreams are as follows:

- *The strategic aims should remain unchanged*
- *No changes are proposed to the 4 Workstreams*
- *Further work is undertaken to embed TASS, LAC and the Schools strategy as part of the Prevention Workstream Delivery Strands*
- *Each Head of Service should produce local actions to support the Change Plan “Working Together, Working Differently”*

4.0 Delivery Strands Achievements

4.1 This report summarises what we have achieved so far overall and for each of the 14 Delivery Strands. A number of changes are proposed to the Delivery Strands (the revised *Sustainable Swansea* Programme is illustrated in **Appendix H** of the report).

4.2 The overall picture described is where we might expect to be, given the maturity of the Programme and the transition from a “siloes” based approach to budget cuts to a strategic and cross Council approach. We have achieved a great deal but there are significant challenges ahead that we now need to address.

4.3 The conclusion of the review is that we need to focus a significant amount of our time and resources on three key areas that are vital to securing long term change and savings:

- Commercialism

- Commissioning
- Prevention

5.0 Future Delivery Strands

- 5.1 The review of the Delivery Programme has assured and produced a range of new savings proposals that will help to address the financial challenge.
- 5.2 The current assessment (bearing in mind the caveats and risks mentioned in the report and that the Council's MTFP forecast will change year on year) shows an estimated gap of £2.587m in 2016/17 and a gap of £6.367m in 2018/19.
- 5.3 We need to undertake further work quickly to get to the position where savings targets are set for **all** Delivery Strands and to undertake further assurance and delivery planning to address the MTFP shortfall. We have engaged external support to help us to assess the size of the opportunity in Prevention and to provide further assurance based on evidence from elsewhere.
- 5.4 The projects in the Programme will inevitably require difficult decisions. If the Programme does not deliver, or the options produced are not accepted, Cabinet will need to consider further action in year to deliver a balanced medium term budget.

6.0 Delivery and Resources

- 6.1 The report provides an overview of delivery and a statement of the resources allocated to the Programme, what these will achieve and how they will be deployed, including the development of Service Delivery Plans
- 6.2 The additional resources agreed for *Sustainable Swansea* and the targeted use of external support are intended to address historical delivery problems and to build our capability to deliver.
- 6.3 Service Delivery Plans are intended to be a more productive way of delivering *Sustainable Swansea* as part our commitment to "*working together, working differently*". Work will start on these now.

7.0 Governance

- 7.1 Governance arrangements have worked as intended and, consequently, few changes are considered to be necessary. The governance chart has been updated to reflect the proposed changes to the strands.

8.0 Engagement

- 8.1 We will build on our engagement so far with residents with a greater focus on:

- *What the Council will stop doing – with clear “stories” about why this is necessary and what this will mean for you*
- *Our future relationship with residents – helping you to help yourself*
- *Behaviour change – targeted social marketing to support demand management priorities*

8.2 We will engage employees in manager led conversations about the major changes facing the Council (including the Swansea Story, Corporate Plan, Future Council), within the context of the local service changes.

9.0 Risks

9.1 The report sets out the top risks and an action plan to address the key issues identified as part of the Delivery Programme Review.

10.0 Equality and Engagement Implications

10.1 The Equality Impact Assessment (EIA) process was used as part of the initial engagement on *Sustainable Swansea* and the budget process for 2015/16 (we have undertaken budget EIAs since 2011).

10.2 The EIA process will be used to assess the impact of particular proposals in the Delivery Programme. Some proposals will also require specific consultation exercises. The results of both will be reported to Cabinet before decisions are made.

11.0 Financial Implications

11.1 The Programme Review builds on the MTFP 2015/16–2017/18, approved by Council on 24 February 2015.

11.2 The MTFP includes three year savings targets by Directorate and by *Sustainable Swansea* Workstream (section 2 of the Appendix) to meet the estimated £80m savings requirement.

11.3 The review proposes the allocation of the strategic level Workstreams savings to specific Delivery Strands and Projects on the basis of a **target to aim for**.

11.4 The comparison between existing planned MTFP savings and the additional proposals in the Delivery Programme against the budget gap in the MTFP is as follows:

	Estimated Savings £000 (Cumulative Totals)		
	16/17	17/18	18/19
Planned MTFP Savings	12,772	20,554	20,554
Additional Savings	19,735	39,999	58,169
MTFP Requirement	35,094	58,214	85,090
Gap	2,587	(2,339)	6,367

- 11.5 Further work will be undertaken quickly to get to the position where savings targets are set for **all** Delivery Strands and to undertake further assurance and delivery planning to address the MTFP shortfall. External support will be used to assess the size of the opportunity in Prevention and to provide further assurance based on evidence from elsewhere.
- 11.6 The financial forecast is expected to change during the course of the year as a result of both UK and Welsh Government budget announcements. An update will be provided to Cabinet and Council in October/November as part of the Mid-term Budget Statement.
- 11.7 The additional resources for delivery will be met from the Transformation Fund.

12.0 Legal Implications

- 12.1 There are no specific legal implications arising from this report. Any collateral issues will be addressed if Cabinet approves this Delivery Programme and it is then put into effect.

Background Papers: None

Appendices: Appendix – *Sustainable Swansea – fit for the future*: Delivery Programme

Report of the Head of Legal, Democratic Services & Procurement

Cabinet – 16 July 2015

EXCLUSION OF THE PUBLIC

Purpose:	To consider whether the Public should be excluded from the following items of business.	
Policy Framework:	None.	
Reason for Decision:	To comply with legislation.	
Consultation:	Legal.	
Recommendation(s):	It is recommended that:	
1)	The public be excluded from the meeting during consideration of the following item(s) of business on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Paragraphs listed below of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 subject to the Public Interest Test (where appropriate) being applied.	
	Item No.	Relevant Paragraphs in Schedule 12A
	14a, 14b & 15a	14
	16a	14, 15, 16
Report Author:	Democratic Services	
Finance Officer:	Not Applicable	
Legal Officer:	Patrick Arran – Head of Legal, Democratic Services and Procurement (Monitoring Officer)	

1. Introduction

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

2. Exclusion of the Public / Public Interest Test

- 2.1 In order to comply with the above mentioned legislation, Cabinet will be requested to exclude the public from the meeting during consideration of the

item(s) of business identified in the recommendation(s) to the report on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

- 2.2 Information which falls within paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended is exempt information if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 2.3 The specific Exclusion Paragraphs and the Public Interest Tests to be applied are listed in **Appendix A**.
- 2.4 Where paragraph 16 of the Schedule 12A applies there is no public interest test. Councillors are able to consider whether they wish to waive their legal privilege in the information, however, given that this may place the Council in a position of risk, it is not something that should be done as a matter of routine.

3. Financial Implications

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

4. Legal Implications

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

Background Papers: None.

Appendices: Appendix A – Public Interest Test.

Public Interest Test

No.	Relevant Paragraphs in Schedule 12A
12	Information relating to a particular individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 12 should apply. His view on the public interest test was that to make this information public would disclose personal data relating to an individual in contravention of the principles of the Data Protection Act. Because of this and since there did not appear to be an overwhelming public interest in requiring the disclosure of personal data he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
13	Information which is likely to reveal the identity of an individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 13 should apply. His view on the public interest test was that the individual involved was entitled to privacy and that there was no overriding public interest which required the disclosure of the individual's identity. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
14	Information relating to the financial or business affairs of any particular person (including the authority holding that information).
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 14 should apply. His view on the public interest test was that:</p> <p>a) Whilst he was mindful of the need to ensure the transparency and accountability of public authority for decisions taken by them in relation to the spending of public money, the right of a third party to the privacy of their financial / business affairs outweighed the need for that information to be made public; or</p> <p>b) Disclosure of the information would give an unfair advantage to tenderers for commercial contracts.</p> <p>This information is not affected by any other statutory provision which requires the information to be publicly registered.</p> <p>On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>

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

By virtue of paragraph(s) 14 of Schedule 12A
of the Local Government Act 1972
as amended by the Local Government (Access to
Information) (Variation) (Wales) Order 2007.

Document is Restricted

By virtue of paragraph(s) 14 of Schedule 12A
of the Local Government Act 1972
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Information) (Variation) (Wales) Order 2007.

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Information) (Variation) (Wales) Order 2007.

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By virtue of paragraph(s) 14 of Schedule 12A
of the Local Government Act 1972
as amended by the Local Government (Access to
Information) (Variation) (Wales) Order 2007.

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Agenda Item 14.b

By virtue of paragraph(s) 14 of Schedule 12A
of the Local Government Act 1972
as amended by the Local Government (Access to
Information) (Variation) (Wales) Order 2007.

Document is Restricted

Agenda Item 15.a

By virtue of paragraph(s) 14 of Schedule 12A
of the Local Government Act 1972
as amended by the Local Government (Access to
Information) (Variation) (Wales) Order 2007.

Document is Restricted

By virtue of paragraph(s) 14 of Schedule 12A
of the Local Government Act 1972
as amended by the Local Government (Access to
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