

## COUNCIL SUMMONS

You are hereby summoned to attend a Meeting of the COUNCIL OF THE CITY AND COUNTY OF SWANSEA to be held in the Council Chamber, Guildhall, Swansea on Thursday, 22 September 2016 at 5.00 pm.

The following business is proposed to be transacted:

1. **Apologies for Absence.**
2. **Disclosures of Personal and Prejudicial Interests.**  
[www.swansea.gov.uk/disclosuresofinterests](http://www.swansea.gov.uk/disclosuresofinterests)
3. **Minutes.** 1 - 12  
To approve & sign the Minutes of the previous meeting(s) as a correct record.
4. **Written Responses to Questions asked at the Last Ordinary Meeting of Council.** 13 - 16
5. **Announcements of the Presiding Member.**
6. **Announcements of the Leader of the Council.**
7. **Public Questions.**  
Questions must relate to matters on the open part of the Agenda of the meeting and will be dealt within a 10 minute period.
8. **Public Presentation - None.**
9. **Report of the Wales Audit Office - Audit of Financial Statements Report - City & County of Swansea.** 17 - 38
10. **Report of the Wales Audit Office - Audit of Financial Statements Report - City & County of Swansea Pension Fund.** 39 - 58
11. **Audit Committee Annual Report 2015/16.** 59 - 66
12. **Statement of Accounts 2015/16.** 67 - 68
13. **Treasury Management Annual Report 2015/16.** 69 - 90
14. **Annual Governance Statement 2015/16.** 91 - 109
15. **Sustainable Development Report 2015/16.** 110 - 138
16. **Appointment of Chief Transformation Officer.** 139 - 140
17. **Membership of Committees.** 141
18. **Scrutiny Dispatches – Quarterly Impact Report** 142 - 147



**Huw Evans**  
**Head of Democratic Services**  
**Guildhall,**  
**Swansea.**

**Tuesday, 13 September 2016**

**To: All Members of the Council**

## CITY AND COUNTY OF SWANSEA

### MINUTES OF THE COUNCIL

HELD AT COUNCIL CHAMBER, GUILDHALL, SWANSEA ON  
THURSDAY, 28 JULY 2016 AT 3.30 PM

**PRESENT:** Councillor D H Hopkins (Lord Mayor) Presided

<b>Councillor(s)</b>	<b>Councillor(s)</b>	<b>Councillor(s)</b>
C Anderson	P M Black	J E Burtonshaw
M C Child	A C S Colburn	D W Cole
A M Cook	J P Curtice	P Downing
C R Doyle	V M Evans	C R Evans
W Evans	E W Fitzgerald	R Francis-Davies
J A Hale	J E C Harris	C A Holley
P R Hood-Williams	B Hopkins	S M Jones
L James	Y V Jardine	D J Lewis
E T Kirchner	M B Lewis	P Lloyd
A S Lewis	C E Lloyd	D Phillips
K E Marsh	P M Matthews	T H Rees
C L Philpott	J A Raynor	R V Smith
C Richards	P B Smith	G J Tanner
R C Stewart	D G Sullivan	M Thomas
C Thomas	C M R W D Thomas	G D Walker
D W W Thomas	L J Tyler-Lloyd	L V Walton
T M White		

#### **Apologies for Absence**

Councillor(s): J C Bayliss, U C Clay, A M Day, F M Gordon, G Owens, I M Richard and L G Thomas

#### 33. **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.**

In accordance with the provisions of the Code of Conduct adopted by the City and County of Swansea no interests were declared.

#### 34. **CONFERRING TITLE OF HONORARY ALDERMAN PURSUANT TO SECTION 249 LOCAL GOVERNMENT ACT 1972 - FORMER COUNCILLOR BYRON G OWEN.**

The Presiding Member, Deputy Monitoring Officer and Head of Democratic Services jointly submitted a report which sought agreement in principle to conferring the title of "Honorary Alderman" on former Councillor Byron G Owen.

Former Councillor Owen served the Mynyddbach and Penderry communities and was Lord Mayor of the City and County of Swansea for the 1991-1992 Municipal Year. His periods of service being:

Minutes of the Council (28.07.2016)  
Cont'd

- Swansea City Council - 10 May 1973 to 5 May 1976;
- Swansea City Council - 3 May 1979 to 31 March 1996;
- City and County of Swansea - 4 May 1995 to 10 June 2004;
- City and County of Swansea - 1 May 2008 to 18 March 2016.

**RESOLVED** that the title of Honorary Alderman be conferred on former Councillor Byron G Owen in recognition of his eminent service rendered to the City and County of Swansea and its predecessor Authority's.

The meeting ended at 3.55 pm

**CHAIR**

# CITY AND COUNTY OF SWANSEA

## MINUTES OF THE COUNCIL

HELD AT COUNCIL CHAMBER, GUILDHALL, SWANSEA ON  
THURSDAY, 28 JULY 2016 AT 5.00 PM

**PRESENT:** Councillor D W W Thomas (Presiding Member) Presided

<b>Councillor(s)</b>	<b>Councillor(s)</b>	<b>Councillor(s)</b>
C Anderson	P M Black	J E Burtonshaw
M C Child	R A Clay	U C Clay
A C S Colburn	D W Cole	A M Cook
S E Crouch	J P Curtice	N J Davies
P Downing	C R Doyle	V M Evans
C R Evans	W Evans	E W Fitzgerald
R Francis-Davies	J A Hale	J E C Harris
T J Hennegan	C A Holley	P R Hood-Williams
B Hopkins	D H Hopkins	L James
Y V Jardine	M H Jones	A J Jones
S M Jones	E J King	E T Kirchner
M B Lewis	R D Lewis	D J Lewis
A S Lewis	C E Lloyd	P Lloyd
K E Marsh	P M Matthews	P N May
P M Meara	J Newbury	G Owens
D Phillips	C L Philpott	J A Raynor
T H Rees	P B Smith	R V Smith
R C Stewart	D G Sullivan	G J Tanner
C Thomas	C M R W D Thomas	M Thomas
L J Tyler-Lloyd	G D Walker	L V Walton
T M White	N M Woollard	

### **Apologies for Absence**

Councillor(s): J C Bayliss, A M Day, F M Gordon, J W Jones, I M Richard, R J Stanton and L G Thomas

### 35. **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.**

The Deputy Head of Legal and Democratic Services gave advice regarding the potential personal and prejudicial interests that Councillors and / Officers may have on the agenda.

The Head of Democratic Services reminded Councillors and Officers that the "Disclosures of Personal and Prejudicial Interests" sheet should only be completed if the Councillor / Officer actually had an interest to declare. Nil returns were not required. Councillors and Officers were also informed that any declarable interest must be made orally and in writing on the sheet.

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

- 1) Councillors J A Hale and C E Lloyd declared a Personal Interest in Minute 42 "Standards Committee Annual Report 2015-2016";
- 2) Councillors A C S Colburn, S E Crouch, E W Fitzgerald, P R Hood-Williams, M H Jones, E J King, D J Lewis and P M Meara declared a Personal Interest in Minute 43 "Scrutiny Annual Report 2015-2016";
- 3) Councillors C A Holley and M Thomas declared a Personal Interest in Minute 45 "Appointment of Chief Social Services Officer" and stated that they had dispensations from the Standards Committee.

36. **MINUTES.**

**RESOLVED** that the following Minutes be approved and signed as a correct record:

- 1) Ordinary Meeting of Council held on 16 June 2016.

37. **WRITTEN RESPONSES TO QUESTIONS ASKED AT THE LAST ORDINARY MEETING OF COUNCIL.**

The Head of Legal and Democratic Services submitted an information report setting out the written responses to questions asked at the last Ordinary Meeting of Council.

38. **ANNOUNCEMENTS OF THE PRESIDING MEMBER.**

1) **Condolences**

a) **Michael Cura, Bishop Vaughan Catholic School**

The Presiding Member referred with sadness to the recent death of Michael Cura, a pupil of Bishop Vaughan Catholic School. Michael died whilst on a 560 mile school cycle trip making a pilgrimage to Santiago de Compostela in the Galicia region, Spain.

All present stood as a mark of sympathy and respect.

2) **Congratulations**

a) **Wales Football Team**

The Presiding Member was delighted to congratulate the Wales Football Team following their recent performance in Euro 2016. They Team, managed by Chris Colman of Swansea reached the Semi Finals, having finished top of their group during the group stages.

Following Euro 2016, Wales moved above England and up to 11<sup>th</sup> in the FIFA World Rankings. Hopefully, the Euro 2016 campaign will set Wales up well for the 2018 World Cup qualifiers which commences in September 2016.

**3) Council Meetings**

The Presiding Member stated that the Council Meeting scheduled for 25 August 2016 has been cancelled.

He also stated that the Ceremonial Meeting of Council (Inauguration of the Lord Mayor) scheduled for 19 May 2017 has been re-scheduled. The meeting will not be held at 2.00pm on Friday, 26 May 2017.

**4) Meirion Howells “Chair of Standards Committee”**

The Presiding Member thanked the Chair of Standards Committee, Meirion Howells for his service in raising ethics and standards of this Authority. Meirion Howells was appointed to the Standards Committee on 1 August 2008. Having served 2 terms, his term of Office ends of 31 July 2016.

During his 8 years on the Standards Committee, Meirion Howells dealt with a number of Code of Conduct complaints; however it was pleasing to note that in the past few years, their work has diminished significantly...hopefully due to the improved conduct of Councillors.

**5) Changes / Amendments to the Council Summons**

**1) Agenda Item 14 “Membership of Committees”**

The Presiding Member stated that an amended report has been circulated.

**2) Agenda Item 15 “Amendments to the Council Constitution”**

The Presiding Member referred to the following changes required to the Amendments to the Council Constitution report.

**i) Page 65, Paragraph 4.2, Transformation & Performance Cabinet Portfolio Table.**

Sustainable Development. This should be shown as “Add” and not “Delete” in column 2.

**ii) Page 69, Next Generation Services Table.**

Item 1) “Commercial Services; Identify and Implement New Commercial Models”. Add the following to the “CM Consultee” column:

“All relevant Cabinet Members”.

iii) **Page 69, Next Generation Services Table.**

Delete Item 15) "Sustainable Development" and add to the Transformation and Performance Table shown on Page 70. Also, Add the following to the "CM Consultee" column:

"All relevant Cabinet Members".

3) **Agenda Item 17 "Notice of Motion"**

The Presiding Member stated that an amended Notice of Motion has been circulated.

39. **ANNOUNCEMENTS OF THE LEADER OF THE COUNCIL.**

1) **Brexit – Letter to Prime Minister**

The Leader of the Council stated that he had circulated his letter to the Prime Minister to all Councillor earlier. In the letter he sought assurances that the UK Government would match or exceed current levels of funding provided from the EU.

2) **Swansea City Football Club – Liberty Stadium Future Intentions**

The Leader of the Council stated that he was in the process of discussing with football club their intention for the Liberty Stadium and whether this included expansion, sale or both.

3) **Inaugural Lord Mayor's Summer Honours**

The Leader of the Council was pleased to state that 45 tables had been sold for the Inaugural Lord Mayor's Summer Honours Ball. He thanked J R Events for their support in promoting the event.

40. **PUBLIC QUESTIONS.**

A number of questions were asked by members of the public. The relevant Cabinet Member responded accordingly. Those questions requiring a written response are listed below:

- 1) Tony Beddow asked the Enterprise, Development and Regeneration Cabinet Member questions in relation to Minute 44 "City and County of Swansea Community Benefit Policy".

"With regard to Section 106 agreements, is it legal for the Authority to bolster the requirement by placing a deposited bond requirement on developers so as to ensure that the planning gain element is guaranteed?"

The Enterprise, Development and Regeneration Cabinet Member stated that a written response would be provided.



- 2) Lis Davies asked the Wellbeing and Healthy City Cabinet Member a question in relation to Minute 49 "Councillors' Questions – Question 11".

"What is the name of the weed killer used by the Authority on highways and footpaths?"

The Wellbeing and Healthy City Cabinet Member stated that a written response would be provided.

41. **PUBLIC PRESENTATION - NONE.**

No Public Presentations were received.

42. **STANDARDS COMMITTEE ANNUAL REPORT 2015-2016.**

The Chair of the Standards Committee, Meirion Howells presented the Standards Committee Annual Report 2015-2016 for information. The report set out the work of the Standards Committee and Community / Town Councils Standards Sub Committee from June 2015 to May 2016.

43. **SCRUTINY ANNUAL REPORT 2015-2016.**

The Chair of the Scrutiny Programme Committee submitted for information the Scrutiny Annual Report 2015-2016. The report outlined the work of scrutiny during that period.

44. **CITY AND COUNTY OF SWANSEA COMMUNITY BENEFIT POLICY.**

The Enterprise, Development and Regeneration Cabinet Member submitted a report which updated the Beyond Bricks and Mortar initiative to form a Community Benefit Policy covering all of the Authority's activities where community benefits can add value. This includes planning applications, works, services and supply contracts, sale of land for development as well as construction and regeneration projects.

**RESOLVED** that:

- 1) The original scope of the Beyond Bricks & Mortar initiative be widened to cover all activities where community benefits add value as set out in paragraph 4.1 of the report;
- 2) The City & County of Swansea Community Benefit Policy document appended to the report be approved.

45. **APPOINTMENT OF CHIEF SOCIAL SERVICES OFFICER.**

The Chief Executive submitted a report which sought to confirm the appointment of the Chief Social Services Officer.

**RESOLVED** that David Howes be confirmed in post in respect of the role of the Chief Social Services Officer.

46. **HONORARY FREEDOM OF THE CITY & COUNTY OF SWANSEA TO CHRIS COLEMAN.**

The Leader of the Council submitted a report which sought consideration of whether to confer the Honorary Freedom of the City and County of Swansea to Chris Coleman in recognition of his contribution to sport and the City, specifically his leadership and success with the Wales Football Team.

**RESOLVED** that:

- 1) The Honorary Freedom of the City and County of Swansea be conferred on Chris Coleman in recognition of his contribution to sport and the City, specifically his leadership and success with the Wales Football Team.

47. **MEMBERSHIP OF COMMITTEES.**

The Transformation and Performance Cabinet Member submitted an amended report which sought approval of the nominations / amendment to the membership of Council Bodies.

He referred to the report stating that the Leader of the Council had not made any changes to the membership of the Authority's Outside Bodies.

**RESOLVED** that the membership of the Council Bodies listed below be amended as follows:

- i) **Appeals & Awards Committee**  
Remove Councillor R D Lewis  
Add Councillor J W Jones
- ii) **Appointments Committee**  
Remove Councillor D W Cole  
Add Councillor M Thomas
- iii) **Chief Officer Disciplinary Committee**  
Remove Councillor D G Sullivan  
Add Councillor R D Lewis
- iv) **Chief Officer Disciplinary Appeals Committee**  
Remove Councillor D J Lewis  
Add Councillor P N May

- v) **Communities Cabinet Advisory Committee (CAC)**  
Remove Councillor D W Cole & Conservative Group Vacancy  
Add Councillors R D Lewis & Y V Jardine
- vi) **Corporate Services CAC**  
Remove Councillor J E Burtonshaw & Conservative Vacancy  
Add Councillors R D Lewis & H M Morris
- vii) **Development Cabinet Advisory Committee (CAC)**  
Remove Councillor D W Cole & Conservative Group Vacancy  
Add Councillors R D Lewis & G J Tanner
- viii) **Joint Resilience Committee**  
Remove Councillor D W Cole  
Add Councillor C E Lloyd
- ix) **General Licensing Committee & General Licensing Sub Committee**  
Remove Councillor D W Cole  
Add Councillor C Anderson
- x) **Statutory Licensing Committee & Statutory Licensing Sub Committee**  
Remove Councillor D W Cole  
Add Councillor C Anderson
- xi) **Planning Committee**  
Remove Councillor I M Richard  
Add Councillor H M Morris
- xii) **Scrutiny Programme Committee**  
Remove Councillor D W Cole  
Add Councillor F M Gordon
- xiii) **Challenge Panel**  
Add Councillor P N May
- xiv) **L A Governor Panel**  
Remove D W Cole  
Add Councillor U C Clay
- xv) **Trustees Panel**  
Remove Councillor M B Lewis
- xvi) **Social Services Rota Visits Group**  
Add Councillors R D Lewis & P N May
- xvii) **Gower AONB Partnership Group**  
Remove Councillor R D Lewis  
Add Councillor L James

48. **AMENDMENTS TO THE CONSTITUTION.**

The Presiding Member, Deputy Monitoring Officer and Head of Democratic Services jointly submitted an information report which outlined a number of changes that the Leader of the Council had made to the Cabinet Portfolios within the Council Constitution.

The Head of Democratic Services stated that the report had been amended as outlined in the Presiding Members Announcements.

Councillor P M Black asked that an updated list of Cabinet Portfolios and areas of responsibility be circulated to all Councillors.

The Head of Democratic Services stated that he would distribute the information.

49. **COUNCILLORS' QUESTIONS.**

1) **Part A 'Supplementary Questions'**

Ten (10) Part A 'Supplementary Questions' were submitted. The relevant Cabinet Member(s) responded by way of written answers contained in the Council Summons.

The following supplementary question(s) required a written response.

a) **Question 1.** Councillor P M Black asked:

"Did the additional cost of the removal of asbestos at the former Oceana building distort the tender process?"

The Leader of the Council indicated that a written response would be provided.

b) **Question 3.**

i) Councillor M H Jones asked:

"What will happen to the Pavilions and the maintenance of Pavilions if a bowls club refuses to take over maintenance of the greens or if there is no bowls club locally to do so?"

The Wellbeing and Healthy City Cabinet Member indicated that a written response would be provided.

ii) Councillor J Newbury asked for a full breakdown and update of the position relating to each of the bowling greens within the Authority.

The Wellbeing and Healthy City Cabinet Member indicated that a written response would be provided.

c) **Question 6.** Councillor P M Black asked:

“How many City and County of Swansea Council houses had been brought up to the Welsh Housing Quality Standard?”

The Next Generation Services Cabinet Member indicated that a written response would be provided.

d) **Question 7.** Councillor C A Holley asked:

“It appears that Council staff who park at the Civic Centre are required to purchase a car parking permit whilst staff worked for the NHS in the Civic Centre do not need to pay for a car parking permit. Why?”

The Transforming and Performance Cabinet Member indicated that a written response would be provided.

2) **Part B ‘Questions not requiring Supplementary Questions’**

One (1) Part B ‘Questions not requiring Supplementary Questions’ was submitted.

50. **NOTICE OF MOTION - COUNCILLORS R C STEWART, C A HOLLEY, C RICHARDS, J P CURTICE, A S LEWIS, J A HALE, M C CHILD, J E C HARRIS, M THOMAS, C ANDERSON, R FRANCIS-DAVIES, M H JONES, J W JONES, PM BLACK, L G THOMAS, T H REES, AM DAY, P M MEARA, C L PHILPOTT, R J STANTON, J NEWBURY & P N MAY**

Councillor R C Stewart stated that an amended motion had been circulated. He stated that the amended motion was supported by those that initially proposed the motion. The amended motion was the substantive motion for discussion.

The amended motion was proposed by Councillor R C Stewart and seconded by Councillor C A Holley.

Following the recent Referendum, this Council reiterates that it stands and supports all members of society regardless of their age, race, gender religion or sexual orientation. Swansea remains a City of Sanctuary. We are all appalled by reports of discrimination and hate against members of the public, staff and school children. We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate have no place in our city and country. As a Council, we condemn such actions unequivocally. We will not allow such expressions of hate to become acceptable.

We the Councillors of the City and County of Swansea Council will continue to work closely with partners, local bodies, and the public to stand up to racism, xenophobia, discrimination, and hate in all its forms.

We will stand together with individuals and organisations who work to promote peaceful co-existence of all groups in our communities, and, wherever possible, provide the support and resources needed.

As an employer, we will lead by example. We promote diversity and our policy states that discrimination due to race (which includes colour, nationality and ethnic origin) is a matter of Gross Misconduct. All employees must treat all their colleagues and members of the public with respect. We encourage other employers in Swansea to set similar standards for their employees.

We reassure all people living in the City and County of Swansea that they are valued members of our community.

**RESOLVED** that the motion as outlined above be approved.

The meeting ended at 6.55 pm

**CHAIR**

## **Report of the Deputy Head of Legal and Democratic Services**

**Council – 22 September 2016**

### **WRITTEN RESPONSES TO QUESTIONS ASKED AT THE LAST ORDINARY MEETING OF COUNCIL**

The report provides an update on the responses to Questions asked during the last Ordinary Meeting of Council on 28 July 2016.

#### **FOR INFORMATION**

#### **1. INTRODUCTION**

- 1.1 It was agreed at Council on 8 April 2010 that a standing item be added to the Council Summons entitled “Written Responses to Questions Asked at the Last Ordinary Meeting of Council”.
- 1.2 A “For Information” report will be compiled by the Democratic Services Team collating all written responses from the last Ordinary Meeting of Council and placed in the Agenda Pack;
- 1.3 Any consequential amendments be made to the Council Constitution.

#### **2. RESPONSES**

- 2.1 Responses to questions asked during the last ordinary meeting of Council are included as Appendix A.

**Background Papers:** None

**Appendices:** Appendix A (Questions & Responses)

**Providing Council with Written Responses to Questions at Council  
28 July 2016**

1.	<p><b>Tony Beddow</b> In relation to Minute 44 “City and County of Swansea Community Benefit Policy”. With regard to Section 106 agreements, is it legal for the Authority to bolster the requirement by placing a deposited bond requirement on developers so as to ensure that the planning gain element is guaranteed.</p> <p><b>Response of the Cabinet Member for Enterprise, Development and Regeneration</b> The proposal to place a Bond for section 106 contributions is not lawful. The use of planning obligations are covered by s.106 of the Town and Country Planning Act 1990 and by the Community Infrastructure Levy Regulations 2010.</p> <p>Planning obligations must be:</p> <ul style="list-style-type: none"> <li>a) necessary to make the Development acceptable in planning terms;</li> <li>b) directly related to the Development; and</li> <li>c) fairly and reasonably related in scale and kind to the Development.</li> </ul> <p>The applicant must have a legal interest in the site being developed and so it is not possible to invite tenders for Planning Contributions. Planning obligations are identified by the Planning Department (after consulting with the relevant departments) after receiving an application for Planning Consent. Planning obligations may be necessary to make a development acceptable in planning terms which would otherwise be refused.</p> <p>Trigger points are identified in the agreement for when the contributions are payable. If the obligations are not met the remedy is an injunction to stop work or legal proceedings to recover a debt. A section 106 agreement is essentially a contract so if one party does not comply with their obligations legal action should be taken to remedy the situation.</p> <p>In respect of highway agreements, where the developer carries out the work a Bond is put in place which gets reduced as the work is carried out and is only released when the works are complete.</p>
2.	<p><b>Lis Davies</b> In relation to Minute 49 “Councillors’ Questions – Question 11”. What is the name of the weed killer used by the Authority on highways and Footpaths.</p> <p><b>Response of the Cabinet Member for Wellbeing and Healthy City</b> Dakar Pro an approved amenity herbicide, it is Supplied as a water soluble granule and used as a translocated, non-residual herbicide. Active ingredient is Glyphosate as monoammonium salt.</p>
3.	<p><b>Councillor P M Black</b> Councillor Question 1 - Did the additional cost of the removal of asbestos at the former Oceana building distort the tender process.</p>



	<p><b>Response of the Leader</b> The tender process has not been distorted by the costs of removal of additional asbestos.</p> <p>Tenders submitted were based upon a defined scope of works incorporating Works Information taken from the original Asbestos Refurbishment/Demolition Survey Report.</p> <p>The costs arising from the removal of additional asbestos is based upon forecast additional direct costs as defined within the NEC3 conditions of contract. These are adjusted for overheads and fees using provisions made within tenders submitted.</p> <p>These provisions were included within part of the tender evaluation process via a sample calculation to arrive at a notional tender price, but not specifically relating to removal of asbestos.</p>
4.	<p><b>Councillor M H Jones</b> Councillor Question 3 - What will happen to the Pavilions and the maintenance of Pavilions if a bowls club refuses to take over maintenance of the greens or if there is no bowls club locally to do so.</p> <p><b>Response of the Cabinet Member for Wellbeing and Healthy City</b> Any unused Pavilions will be secured and will continue to be maintained by the Authority's Corporate Property and Buildings service, whilst alternative uses are considered. Ongoing discussions will take place with groups such as Friends of Parks and, where applicable, Town or Community Councils as to potential options for future responsibility and use.</p>
5.	<p><b>Councillor J Newbury</b> Councillor Question 3 - Asked for a full breakdown and update of the position relating to each of the bowling greens within the Authority.</p> <p><b>Response of the Cabinet Member for Wellbeing and Healthy City</b> From 1 April 2016 all responsibility for bowls greens has been devolved to either community bowls associations, individual clubs or Community Councils, who have responsibility for maintenance of the green.</p> <ul style="list-style-type: none"> <li>• 8 greens are maintained by the club or association themselves or by way of an external contractor. These are: Coedbach, Parc y Werin (x2), Parc Williams, Coedgwilym Park, Jersey Park, Landore, Dyfatty Park</li> <li>• 8 greens are maintained by Parks to a specification agreed with the community bowls associations, individual clubs or Community Councils, who are charged for the maintenance arrangements. These are: Hafod Park, Morryston Park, Mumbles Bowls Green, Primrose Park, Parc Llewellyn, De la Beche, Dunvant Park and Victoria (x1).</li> </ul>
6.	<p><b>Councillor P M Black</b> Councillor Question 6 - How many City and County of Swansea Council houses had been brought up to the Welsh Housing Quality Standard</p> <p><b>Response of the Cabinet Member for Next Generation Services</b> The policy for measuring and reporting the extent to which the Council's housing stock complies with the Welsh Housing Quality Standard (WHQS)</p>

was adopted by the Council at its meeting on the 25 February 2016. The policy is in keeping with the Welsh Government's approach to measuring compliance which is calculated against 10 building elements. Compliance data is reported annually to the Welsh Government in the August of each year and is expressed in terms of the number of properties compliant with the required element and as a percentage of the whole Council stock. The most recent submission made in August 2015 is detailed below.

- Roofs and Associated Components: 11,128 (85% compliance)
- Windows: 13,418 (99.3% compliance)
- Doors: 13,217 (98% compliance)
- Kitchens: 7,071 (58% compliance)
- Bathrooms: 2,927 (22% compliance)
- Central Heating: 11,216 (93% compliance)
- Gardens, external storage and boundaries: 3,108 (23% compliance)
- Electrical systems (94.3% compliance)
- Mains Powered Smoke Detector's (99.4% compliance)
- Energy rating (57% compliance)

The approach taken by the Council, is to not to bring individual properties up to the standard in one go but rather to address individual elements of the standard over large geographical areas. This elemental approach is less disruptive for tenants and is the most cost effective approach for the Council given the economies of scale that can be derived from large contracts for specific building elements. This elemental approach was adopted in 2009 when a decision was made by Cabinet to concentrate on addressing the structural integrity and thermal efficiency of properties first, as at the time the Council could not identify sufficient financial resources to meet the standard by the 2020 Welsh Government deadline.

The Authority is also obliged to report the overall number of properties that comply with all 10 elements and the 2015 return indicated that **282** fulfilled this requirement at that time. This relatively low number compared to the overall compliance on an element by element basis is due to the fact that properties only need to fail on one of the above to be non-compliant. Data for 2016 is currently being prepared for submission which is anticipated to show an increase in compliance as a result of the continuing investment in repairs and improvements to Council housing to ensure full WHQS achievement across all elements by the statutory deadline of 2020.

7.

**Councillor C A Holley**

Councillor Question 7 - It appears that Council staff who park at the Civic Centre are required to purchase a car parking permit whilst staff worked for the NHS in the Civic Centre do not need to pay for a car parking permit. Why

**Response of the Cabinet Member for Transforming and Performance**

As part of the agreement for the joint hub working arrangements in the Civic Centre, ABMUHB are recharged the full cost of a number of floating permits. However, as part of ABMUHB's employee's terms and conditions, car parking must be provided on site with no charge; that is of course a matter for them over which the Council has no influence

Archwilydd Cyffredinol Cymru  
Auditor General for Wales



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

## Audit of Financial Statements Report **City & County of Swansea**

**Audit year:** 2015-16

**Issued:** September 2016

**Document reference:** 506A2016

# Status of report

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This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at [info.officer@audit.wales](mailto:info.officer@audit.wales).

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The Auditor General intends to issue an unqualified audit report on the City & County of Swansea's financial statements, however there are some issues to report to you prior to their approval.

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# Summary report

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## Introduction

1. The Auditor General is responsible for providing an opinion on whether the financial statements give a true and fair view of the financial position of the City & County of Swansea (the Council) at 31 March 2016 and its income and expenditure for the year then ended.
2. We do not try to obtain absolute assurance that the financial statements are correctly stated, but adopt the concept of materiality. In planning and conducting the audit, we seek to identify material misstatements in your financial statements, namely, those that might result in a reader of the financial statements being misled.
3. The quantitative level at which we judge such misstatements to be material for the Council is £8.7 million. Whether an item is judged to be material can also be affected by certain qualitative issues such as legal and regulatory requirements and political sensitivity.
4. International Standard on Auditing (ISA) 260 requires us to report certain matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action to be taken, should there be any required.
5. This report sets out for consideration the matters arising from the audit of the financial statements of the Council including the City & County of Swansea Group for 2015-16 which require reporting under ISA 260. A separate report has been issued for the City & County of Swansea Pension Fund.

## Status of the audit

6. We received the draft financial statements for the year ended 31 March 2016 a week before the deadline of 30 June 2016 and have now substantially completed our audit work. At the time of writing our audit was nearing completion but some areas of work remained outstanding.
7. Our Audit Plan for the Council issued in March 2016 sets out the audit risks which we considered to be significant. We have undertaken audit work to assess these risks and also considered any new risks which might have arisen. A summary of the audit risks, the audit work undertaken and our conclusions are shown in [Exhibit 1](#).

Exhibit 1: Audit risks, work undertaken and conclusion

Audit risk	Work undertaken and conclusion
<p><b>Risk of management override</b></p> <p>The risk of management override of controls is present in all organisations. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.31-33].</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• tested the appropriateness of journal entries and other adjustments made in preparing the financial statements;</li> <li>• reviewed accounting estimates for biases;</li> <li>• evaluated the rationale for any significant transactions outside the normal course of business; and</li> <li>• incorporated an element of ‘unpredictable audit work’, which varies each year.</li> </ul> <p>We have not identified any material issues although, as set out in <a href="#">Appendix 4</a>, we have concluded that the controls over journals need to be reviewed.</p>
<p><b>Risk of fraud in revenue recognition</b></p> <p>The level of income collected by the Council means that there is an inherent risk of material misstatement due to fraud in revenue recognition and as such is treated as a significant risk [ISA 240.26-27].</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• tested the appropriateness of a sample of journals processed to income and non-pay expenditure ledger codes during the year;</li> <li>• reviewed the application of relevant accounting policies to ensure that they are in compliance with accounting standards; and</li> <li>• analysed the various income streams and perform substantive procedures on a sample basis to ensure that income and has been appropriately accounted for in the correct period.</li> </ul> <p>We do not have any significant matters to report.</p>
<p><b>Risk of error with the valuation of property, plant and equipment (PPE) and investment properties</b></p> <p>The Council is required to ensure that for PPE and Investment Properties held on the balance sheet, the carrying amount is not materially different from the fair value of these assets at the year-end. This valuation process and the underlying assumptions adopted are subject to a number of judgements and changes in approach in 2015-16.</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• considered the appropriateness of the Council’s proposed approach to the valuation of PPE and Investment Properties; and</li> <li>• tested the valuation of such assets on a sample basis.</li> </ul> <p>The Council has made some progress with capital accounting arrangements during 2015-16 but, as set out below, further work is required in 2016-17.</p>

Audit risk	Work undertaken and conclusion
<p><b>Risk of provisions being materially misstated</b></p> <p>The Council's 2014-15 financial statements include a number of material provisions. These provisions will again be required in 2015-16 and, by their nature, they are uncertain and require a high degree of estimation. These include provisions for the future maintenance of land-fill sites and employee related expenses.</p>	<p>We have reviewed all material provisions to ensure that they are fairly stated. We do not have any significant matters to report.</p>
<p><b>Disclosure risks</b></p> <p>My audit team has held initial planning discussions with the Council which have identified a number of areas for further work including:</p> <ul style="list-style-type: none"> <li>• whether or not the Council is required to compile Group Accounts; and</li> <li>• what staff exit costs are disclosed in the financial statements.</li> </ul>	<p>We have discussed these issues with the Council and ensured disclosure requirements have been complied with.</p> <p>We do not have any significant matters to report although, as set out in <a href="#">Appendix 1</a>, we have made some disclosure amendments to the draft financial statements.</p>

8. We are now reporting to you the more significant issues arising from the audit, which we believe you must consider prior to approval of the financial statements. We have discussed these issues with Mike Hawes, the Director of Corporate Services.

## Proposed audit report

9. It is the Auditor General's intention to issue an unqualified audit report on the financial statements once you have provided us with a Letter of Representation based on that set out in [Appendix 1](#). The proposed audit report is set out in [Appendix 2](#).

## Significant issues arising from the audit

### Uncorrected misstatements

10. We identified one misstatement in the financial statements which we have discussed with management but which remains uncorrected. The misstatement and the reason for non-correction is set out in [Exhibit 2](#).



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## Exhibit 2: Uncorrected misstatements in the 2015-16 financial statements

Uncorrected misstatement	Reason for non-correction
<p>During 2015-16, the Council purchased carbon credits under the Carbon Reduction Scheme. This expenditure should have been treated as an intangible asset and a corresponding creditor established to offset the asset rather than the purchase just being charged to expenditure. In addition, at the year-end the Council has calculated that the carbon credits purchased are some £43,000 more than is required to settle the liability in October 2016. As a result:</p> <ul style="list-style-type: none"><li>• net assets were understated by £563,000;</li><li>• net liabilities were understated by £520,000; and</li><li>• net expenditure was overstated by £43,000.</li></ul>	<p>The amendment is not material and has only a marginal impact on the net expenditure, net reserves and net worth of the Council.</p>

## Corrected misstatements

11. There were a number of misstatements which have been corrected by management but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process. They are set out with explanations in [Appendix 3](#). These amendments had no impact on the net expenditure or net assets of the Council.

## Other significant issues arising from the audit

12. In the course of the audit, we consider a number of matters both qualitative and quantitative relating to the accounts and report any significant issues arising to you:
- **We have no significant concerns about the qualitative aspects of your accounting practices and financial reporting.** This is the first year of the audit for the Wales Audit Office and we found the financial statements were compiled to a good standard. We found the information provided to be relevant, reliable, comparable, material and easy to understand. We concluded that accounting policies and estimates are appropriate and financial statement disclosures unbiased, fair and clear. However, as set out below, further work is required to improve the Council's arrangements for accounting for fixed assets. We will hold a 'post project learning' meeting with the Finance Team later in the year to look at the financial statements compilation and audit processes. This meeting will also consider some of the challenges for next year such as the Highways Network Asset and earlier closure.
  - **We did not encounter any significant difficulties during the audit.** We generally received information in a timely and helpful manner and were not restricted in our work.
  - **There were no significant matters discussed and corresponded upon with management which we need to report to you.**

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- **There are no other matters significant to the oversight of the financial reporting process that we need to report to you.**
  - **We did not identify any material weaknesses in your internal controls although we have identified some significant issues to report to you.**  
**Appendix 4** set out our detailed findings and recommendations which are summarised as follows:
    - During 2015-16, the Council has made progress in improving its arrangements for capital accounting. This includes correctly revaluing Council Houses, revising its componentisation and indexation policies and reviewing its investment assets. However, there are a number of significant areas where further work is required in 2016-17 to ensure the correct treatment of non-enhancing capital expenditure, investment assets and council house land
    - Accountants currently have the facility to post and approve single journal entries up to a value of £250,000. Journal entries above £250,000 require manager approval. In our opinion this level is high and the Council should review its journal authorisation controls and limits and consider lowering the value at which journals require secondary approval.
    - The Council has a range of automated authorisation controls for its financial systems but some authorisation procedures are based on authorised signatories. A number of the authorised signatory lists we examined are out of date. Following the recent significant organisational restructure, the Council now needs to ensure its authorised signatory lists are up to date.
  - **There are no other matters specifically required by auditing standards to be communicated to those charged with governance.**

## Recommendations arising from our 2015-16 financial audit work

13. The key recommendations arising from our financial audit work are set out in **Appendix 4**. Management has responded to them and we will follow up progress on them during next year's audit. Where any actions are outstanding, we will continue to monitor progress and report it to you in next year's report.

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## Independence and objectivity

14. As part of the finalisation process, we are required to provide you with representations concerning our independence. As reported in our Audit Outline there is one independence issue for which we put in place additional audit controls. We have complied with ethical standards and in our professional judgment, we are independent and our objectivity is not compromised.

# Appendix 1

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## Final Letter of Representation

Auditor General for Wales  
Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ

## Representations regarding the 2015-16 financial statements

This letter is provided in connection with your audit of the financial statements of the City & County of Swansea (the Council) for the year ended 31 March 2016 for the purpose of expressing an opinion on their truth and fairness.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

## Management representations

### Responsibilities

We have fulfilled our responsibilities for:

- The preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom; in particular the financial statements give a true and fair view in accordance therewith.
- The design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

### Information provided

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.

- 
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
  - Our knowledge of fraud or suspected fraud that we are aware of and that affects the Council and involves:
    - management;
    - employees who have significant roles in internal control; or
    - others where the fraud could have a material effect on the financial statements.
  - Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
  - Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
  - We have informed you of any concerns raised or comments made by regulators about the pension fund, its fund managers and any assets/liabilities.
  - The identity of all related parties and all the related party relationships and transactions of which we are aware.

## Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and we agree that they should remain uncorrected.

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## Representations by the City & County of Swansea

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Members of the City & County of Swansea on 22 September 2016.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Director of Corporate Services

Chair of the Council

Date .....

Date .....

# Appendix 2

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## Auditor General for Wales' report to the Members of the City & County of Swansea

I have audited the accounting statements and related notes of:

- the City & County of Swansea;
- the City & County of Swansea Group; and
- the City & County of Swansea Pension Fund;

for the year ended 31 March 2016 under the Public Audit (Wales) Act 2004.

The City & County of Swansea's accounting statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Movement on the Housing Revenue Account Statement and the Housing Revenue Account Income and Expenditure Statement.

The City & County of Swansea Group's accounting statements comprise the Group Movement in Reserves Statement, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet and the Group Cash Flow Statement.

The City & County of Swansea Pension Fund's accounting statements comprise the Fund Account and the Net Assets Statement.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16 based on International Financial Reporting Standards (IFRSs).

### **Respective responsibilities of the responsible financial officer and the Auditor General for Wales**

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 187, the responsible financial officer is responsible for the preparation of the statement of accounts, including the City & County of Swansea's Group accounting statements and the City & County of Swansea Pension Fund's accounting statements, which gives a true and fair view.

My responsibility is to audit the accounting statements and related notes in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

### **Scope of the audit of the accounting statements**

An audit involves obtaining evidence about the amounts and disclosures in the accounting statements and related notes sufficient to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the City & County of Swansea and the City & County of Swansea Group and the City & County of Swansea Pension Fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the

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responsible financial officer and the overall presentation of the accounting statements and related notes.

In addition, I read all the financial and non-financial information in the Narrative Report to identify material inconsistencies with the audited accounting statements and related notes and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

### **Opinion on the accounting statements of the City & County of Swansea**

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of the City & County of Swansea as at 31 March 2016 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16.

### **Opinion on the accounting statements of the City & County of Swansea Group**

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of the City & County of Swansea Group as at 31 March 2016 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16.

### **Opinion on the accounting statements of the City & County of Swansea Pension Fund**

In my opinion, the pension fund accounts and related notes:

- give a true and fair view of the financial transactions of the City & County of Swansea Pension Fund during the year ended 31 March 2016 and of the amount and disposition of the fund's assets and liabilities as at that date; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16.

### **Opinion on other matters**

In my opinion, the information contained in the Narrative Report is consistent with the accounting statements and related notes.

### **Matters on which I report by exception**

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept;
- the accounting statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit;



- 
- the Governance Statement does not reflect compliance with guidance.

**Certificate of completion of audit**

I certify that I have completed the audit of the accounts of the City & County of Swansea in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

For and on behalf of  
Huw Vaughan Thomas  
Auditor General for Wales

Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ

29 September 2016

# Appendix 3

## Summary of corrections made to the draft financial statements

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Value of correction	Nature of correction	Reason for correction
2015-16 £41,900,000 2014-15 £24,600,000	<b>Council House Capital Expenditure</b> The Council has written off non-enhancing Council House expenditure to the Capital Adjustment Account rather than the Revaluation Reserve. Although this is a technical accounting entry, it is not in accordance with the Code.  This amendment had an impact on all of the primary statements and several notes but the impact on net expenditure and net worth in both years is nil.  The draft financial statements were amended for this technical adjustment between unusable reserves.	To correct a material technical misstatement.
-	<b>Bad Debt Provision</b> The draft financial statements did not separately disclose the detail of the material bad debt provision.  Note 16 was amended to disclose the bad debt provision.	To include disclosure of the bad debt provision within the financial statements.
-	<b>Officers Remuneration over £60,000</b> The Council did not include severance and redundancy payments when calculating the remuneration bandings in Note 28. This is not in accordance with the Code.  Note 28 was amended to include all remuneration over £60,000, including severance and redundancy payments.  This increased the total number of officers disclosed from 64 to 78 in 2014-15 and from 69 to 86 in 2015-16.	To include disclosure of all officers receiving over £60,000 of total remuneration within the financial statements.

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Value of correction	Nature of correction	Reason for correction
-	<p><b>Post Balance Sheet Event</b></p> <p>A post balance sheet events note was not included in the draft financial statements. This is a disclosure requirement.</p> <p>A note was added to the draft financial statement to disclose that there were no post balance sheet events.</p>	To include a disclosure note for post balance sheet events within the financial statements.
-	Various other minor presentational amendments were made to the draft financial statements.	To improve the readability of the financial statements.

# Appendix 4

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## Recommendations arising from our 2015-16 financial audit work

We set out all the recommendations arising from our audit with management's response to them. We will follow up these next year and include any outstanding issues in next year's audit report.

### Matter arising 1 – Journal approval

<b>Findings</b>	Accountants have the facility to post and approve single journal entries up to a value of £250,000. Journal entries above £250,000 require manager approval.
<b>Priority</b>	Medium
<b>Recommendation</b>	The Authority should review its journal authorisation controls limits and consider lowering the value at which journals require secondary approval.
<b>Benefits of implementing the recommendation</b>	Implementation of the recommendation would improve the control environment by increasing the segregation of duties over journal processing.
<b>Accepted in full by management</b>	Yes
<b>Management response</b>	The Authority has restricted the processing of journals to Finance department staff to maintain control of the journals being processed in the General Ledger. The current limit ensures that all the material routine journals and technical year-end journals are approved by a manager. The Authority will review the journals posted in a financial year to try and reduce the number of journals processed by Finance staff. The Authority will review their journal approval limits to ensure they are at the appropriate limit for segregation of duty purposes and maintaining control. The Authority will need to consider the impact of reducing the journal approval limits on day to day operations.
<b>Implementation date</b>	2016-17

### Matter arising 2 – authorised signatory lists

<b>Findings</b>	The Council has a range of automated authorisation controls but some authorisation procedures are based on 'authorised signatory lists'. A number of the authorised signatory lists we examined are out of date.
<b>Priority</b>	Medium
<b>Recommendation</b>	Given there has been a significant recent restructure, the Council needs to ensure up to date signatory lists are in place across the Authority.

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### Matter arising 2 – authorised signatory lists

<b>Benefits of implementing the recommendation</b>	Implementation of the recommendation would improve the control environment by improving authorisation controls.
<b>Accepted in full by management</b>	Yes
<b>Management response</b>	<p>Whilst this is an important issue, the reality is that a significant number of authorisations are now undertaken electronically by workflow within the Councils ORACLE systems and, as such, manual authorisation lists become less important.</p> <p>It is essential however that the Council can evidence authorisation limits and we will work to get clarity around this.</p>
<b>Implementation date</b>	2016-17

### Matter arising 3 – accounting for capital

<b>Findings</b>	<p>During 2015-16 the Council has made some progress in improving its arrangements for capital accounting. This includes correctly revaluing Council Houses, revising its componentisation and indexation policies and reviewing its investment assets. However, there are a number of areas where further work is required in 2016-17 including:</p> <ul style="list-style-type: none"><li>• The Council's current approach for the treatment of non-enhancing capital expenditure is not fully compliant with CIPFA's Code. Further work will be required to ensure that the Council has a clear policy for non-enhancing expenditure and that this is complied with.</li><li>• The Council needs to review its policy for investment assets and, following this, determine whether assets currently held as investments assets are correctly categorised.</li><li>• The Council needs to re-examine its Council House valuation to identify a land value. The Council then needs to ensure that land is not depreciated.</li><li>• The Council's asset register is spreadsheet based which takes significant officer time to maintain. The Council should look at a more efficient solution.</li></ul>
<b>Priority</b>	High
<b>Recommendation</b>	The Council needs to continue to improve its capital accounting arrangements in 2016-17 across a number of areas.
<b>Benefits of implementing the recommendation</b>	Implementation of the recommendation would improve capital accounting arrangements.
<b>Accepted in full by management</b>	Yes

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**Matter arising 3 – accounting for capital****Management response**

The method adopted by the Council for accounting for non-enhancing Capital expenditure has been unchanged over a number of years and was adopted with the full approval of the Council's previous operational Auditors, PwC LLP.

However, as these adjustments have no effect on the financial standing or financial performance of the Council, we will adopt them as a matter of course.

The accounting treatment of non-enhancing capital expenditure will be reviewed and the relevant changes implemented. All investment properties will be reviewed to ensure that they are in the appropriate asset category. The Authority will work with the auditors to ensure that there is an appropriate land value for council dwelling assets. By working with the auditors the Authority is hoping to simplify capital accounting so that we can automate processes and reduce the manual workload.

**Implementation date**

2016-17



Wales Audit Office  
24 Cathedral Road  
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

Swyddfa Archwilio Cymru  
24 Heol y Gadeirlan  
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: [post@archwilio.cymru](mailto:post@archwilio.cymru)

Gwefan: [www.archwilio.cymru](http://www.archwilio.cymru)



Archwilydd Cyffredinol Cymru  
Auditor General for Wales



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

## Audit of Financial Statements Report **City & County of Swansea Pension Fund**

**Audit year:** 2015-16

**Issued:** September 2016

**Document reference:** 505A2016

# Status of report

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This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties.

In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at [info.officer@audit.wales](mailto:info.officer@audit.wales).

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The Auditor General intends to issue an unqualified audit report on the City & County of Swansea Pension Fund's financial statements, however there are some issues to report to you prior to their approval.

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# Summary report

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## Introduction

1. The Auditor General is responsible for providing an opinion on whether the financial statements give a true and fair view of the financial position of the City & County of Swansea Pension Fund (the Pension Fund) at 31 March 2016 and its income and expenditure for the year then ended.
2. We do not try to obtain absolute assurance that the financial statements are correctly stated, but adopt the concept of materiality. In planning and conducting the audit, we seek to identify material misstatements in your financial statements, namely, those that might result in a reader of the financial statements being misled.
3. The gross assets controlled by the Pension Fund amount to £1.5 billion. The quantitative level at which we judge such misstatements to be material for the Pension Fund is £15.1 million. Whether an item is judged to be material can also be affected by certain qualitative issues such as legal and regulatory requirements and political sensitivity.
4. International Standard on Auditing (ISA) 260 requires us to report certain matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action to be taken, should there be any required.
5. This report sets out for consideration the matters arising from the audit of the financial statements of the Pension Fund for 2015-16 which require reporting under ISA 260. A separate report has been issued covering the City & County of Swansea and the City & County of Swansea Group.

## Status of the audit

6. We received the draft financial statements for the year ended 31 March 2016 a week before the deadline of 30 June 2016 and have now substantially completed our audit work.
7. Our Audit Plan for the Pension Fund issued in March 2016 sets out the financial audit risks which we considered to be significant. We have undertaken audit to assess these risks and also considered any new risks which might have arisen. A summary of the financial audit risks, the audit work undertaken and our conclusion is shown in [Exhibit 1](#).

Exhibit 1: Financial audit risks, audit work undertaken and conclusion

Financial audit risk	Audit work undertaken and conclusion
<p><b>Management override</b></p> <p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.31-33].</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• tested the appropriateness of journal entries and other adjustments made in preparing the financial statements;</li> <li>• reviewed accounting estimates for biases; and</li> <li>• evaluated the rationale for any significant transactions outside the normal course of business.</li> </ul> <p>We do not have any significant matters to report.</p>
<p><b>Investment Managers</b></p> <p>The systems and records of the investment managers generate account entries made to the Pension Fund Account and Net Assets Statement. The investment managers provide internal controls reports on the investments held on behalf of the Pension Fund. These are independently audited and provide the Pension Fund with assurance on a wide range of controls eg, valuation of the investment portfolio held.</p> <p>There is a risk that the internal control reports will not be available for assurance purposes and/or cover all our requirements.</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• assessed the investment managers as a service organisation;</li> <li>• checked that investments have been made in accordance with the Statement of Investment Principles;</li> <li>• obtained direct confirmation from investment managers and custodians of year-end investment balances and holdings; and</li> <li>• assessed whether the investment managers' internal control reports for all investment managers provide assurance over a wide range of relevant controls, including valuation of investments held.</li> </ul> <p>We do not have any significant matters to report.</p>
<p><b>Private Equity Investments</b></p> <p>Year-end valuation of private equity investments are provided by investment managers which are based upon forward looking estimates and judgements. As there is no quoted market price, there is a greater risk for the reasonableness of valuation bases of these investments.</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• confirmed the investment valuations to audited financial statements; and</li> <li>• sought additional assurance over the valuation basis from controls assurance reports, where available.</li> </ul> <p>We do not have any significant matters to report.</p>
<p><b>Pension Code</b></p> <p>A new Pension Code, incorporating International financial Reporting Standards, has been issued in the year. There are a number of changes to the 2015-16 financial statements to present information in line with the new Code and IFRS requirements.</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• completed an early review of the financial statements and agreed any disclosure and presentational changes with management; and</li> <li>• provided an audit deliverables document to assist the Council in the preparation of relevant working papers in support of the financial statements.</li> </ul> <p>We do not have any significant matters to report.</p>

- 
8. We are now reporting to you the more significant issues arising from the audit, which we believe you must consider prior to approval of the financial statements. We have discussed these issues with Mike Hawes the Director of Corporate Services.

## Proposed audit report

9. It is the Auditor General's intention to issue an unqualified audit report on the financial statements once you have provided us with a Letter of Representation based on that set out in [Appendix 1](#).
10. The proposed audit report is set out in [Appendix 2](#). The Pension Fund is included within the Council's main financial statements and therefore the opinion shown is that proposed for the Council's main financial statements incorporating the Pension Fund.

## Significant issues arising from the audit

### Uncorrected misstatements

11. There are no misstatements identified in the financial statements which remain uncorrected.

### Corrected misstatements

12. There were a number of misstatements which have been corrected by management but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process. They are set out with explanations in [Appendix 3](#). These amendments had no impact on the Fund Account but the value of investments in the Net Assets Statement was increased by £1,513,000. There were also a number of other presentational amendments made to the draft financial statements arising from the audit.

### Other significant issues arising from the audit

13. In the course of the audit, we consider a number of matters both qualitative and quantitative relating to the accounts and report any significant issues arising to you:
- We have no concerns about the qualitative aspects of your accounting practices and financial reporting. We found the information provided to be relevant, reliable, comparable, material and easy to understand. We concluded that accounting policies and estimates are appropriate and financial statement disclosures unbiased, fair and clear.
  - We did not encounter any significant difficulties during the audit. We received information in a timely and helpful manner and were not restricted in our work.
  - There were no significant matters discussed and corresponded upon with management which we need to report to you.

- 
- There are no other matters significant to the oversight of the financial reporting process that we need to report to you.
  - We did not identify any material weaknesses in your internal controls. However, we have identified that controls over manual journals, the recording of pensioner numbers, year-end reconciliations between payroll and the pensions systems and compliance with the Statement of Investment Principles can be improved. Further details are set out in [Appendix 4](#).
  - There are no other matters specifically required by auditing standards to be communicated to those charged with governance.

## Recommendations arising from our 2015-16 financial audit work

- 14.** The key recommendations arising from our financial audit work are set out in [Appendix 4](#). Management has responded to them and we will follow up progress on them during next year's audit. Where any actions are outstanding, we will continue to monitor progress and report it to you in next year's report.

## Independence and objectivity

- 15.** As part of the finalisation process, we are required to provide you with representations concerning our independence. We have complied with ethical standards and, in our professional judgment, we are independent and our objectivity is not compromised. There are no relationships between the Wales Audit Office and the Pension Fund that we consider to bear on our objectivity and independence.

# Appendix 1

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## Final Letter of Representation

Auditor General for Wales  
Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ

## Representations regarding the 2015-16 financial statements

This letter is provided in connection with your audit of the financial statements of the City & County of Swansea Pension Fund (the Pension Fund) for the year ended 31 March 2016 for the purpose of expressing an opinion on their truth and fairness.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

## Management representations

### Responsibilities

We have fulfilled our responsibilities for:

- The preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom; in particular the financial statements give a true and fair view in accordance therewith.
- The design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

### Information provided

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.



- 
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
  - Our knowledge of fraud or suspected fraud that we are aware of and that affects the Pension Fund and involves:
    - management;
    - employees who have significant roles in internal control; or
    - others where the fraud could have a material effect on the financial statements.
  - Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
  - Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
  - We have informed you of any concerns raised or comments made by regulators about the pension fund, its fund managers and any assets/liabilities.
  - The identity of all related parties and all the related party relationships and transactions of which we are aware.

## Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

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## Representations by the City & County of Swansea

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Members of the City & County of Swansea on 22 September 2016.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Director of Corporate Services

Date .....

Chair of the Council

Date .....

# Appendix 2

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## Auditor General for Wales' report to the Members of the City & County of Swansea

I have audited the accounting statements and related notes of:

- the City & County of Swansea;
- the City & County of Swansea Group; and
- the City & County of Swansea Pension Fund

for the year ended 31 March 2016 under the Public Audit (Wales) Act 2004.

The City & County of Swansea's accounting statements comprise: the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Movement on the Housing Revenue Account Statement and the Housing Revenue Account Income and Expenditure Statement.

The City & County of Swansea Group's accounting statements comprise: the Group Movement in Reserves Statement, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet and the Group Cash Flow Statement.

The City & County of Swansea Pension Fund's accounting statements comprise the Fund Account and the Net Assets Statement.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16 based on International Financial Reporting Standards (IFRSs).

### **Respective responsibilities of the responsible financial officer and the Auditor General for Wales**

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 186, the responsible financial officer is responsible for the preparation of the statement of accounts, including the City & County of Swansea's Group accounting statements and the City & County of Swansea Pension Fund's accounting statements, which gives a true and fair view.

My responsibility is to audit the accounting statements and related notes in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

### **Scope of the audit of the accounting statements**

An audit involves obtaining evidence about the amounts and disclosures in the accounting statements and related notes sufficient to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the City & County of Swansea and the City & County of Swansea Group and the City & County of Swansea Pension Fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the

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responsible financial officer and the overall presentation of the accounting statements and related notes.

In addition, I read all the financial and non-financial information in the Narrative Report to identify material inconsistencies with the audited accounting statements and related notes and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

### **Opinion on the accounting statements of the City & County of Swansea**

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of the City & County of Swansea as at 31 March 2016 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16.

### **Opinion on the accounting statements of the City & County of Swansea Group**

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of the City & County of Swansea Group as at 31 March 2016 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16.

### **Opinion on the accounting statements of the City & County of Swansea Pension Fund**

In my opinion, the Pension Fund accounts and related notes:

- give a true and fair view of the financial transactions of the City & County of Swansea Pension Fund during the year ended 31 March 2016 and of the amount and disposition of the fund's assets and liabilities as at that date; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16.

### **Opinion on other matters**

In my opinion, the information contained in the Narrative Report is consistent with the accounting statements and related notes.

### **Matters on which I report by exception**

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept;
- the accounting statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit; and

- 
- the Governance Statement does not reflect compliance with guidance.

**Certificate of completion of audit**

I certify that I have completed the audit of the accounts of the City & County of Swansea in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

For and on behalf of  
Huw Vaughan Thomas  
Auditor General for Wales

Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ

29 September 2016

# Appendix 3

## Summary of corrections made to the draft financial statements

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Value of correction	Nature of correction	Reason for correction
£1,458,000	The HarbourVest private equity fund was undervalued by £1,458,000 in the draft financial statements. Due to the HarbourVest 90 day reporting period, the Council used an estimated figure provided by HarbourVest.  This amendment increases the value of investments in the Net Assets Statement by £1,458,000.	To adjust the HarbourVest private equity fund valuation within the financial statements to that subsequently confirmed by the investment manager as at 31 March 2016.
£219,000	The Aegon AVC fund (which is not part of the Pension Fund), was overstated by £219,000 in the draft financial statements. Last year's valuation was used as the required information from Aegon was not received until after the draft financial statements were prepared.  This amendment did not impact on the Net Assets Statement as it is not part of the Pension Fund.	To adjust the figures for Aegon within the financial statements to that subsequently confirmed by the AVC provider as at 31 March 2016.
£13,105,000 (2015-16) £2,622,000 (2014-15)	Due to an error, the current and prior year Investment balances detailed within Note 22 of the draft financial statements for Property Unit Trusts and Property Funds did not agree with the analysis of investments in Note 11. Note 23 was also updated to reflect the correct figures.  This amendment did not impact on the Net Assets Statement.	To adjust the figures in Note 22 and Note 23 so that they agree with Note 11.
£407,000	As a result of an error, the Aberdeen investment purchases figure in Note 12 was overstated by £407,000 in the draft financial statements.  This amendment did not impact on	To adjust the Aberdeen investment purchases figure within the financial statements to that confirmed by the Fund Manager as at 31 March 2016.

Value of correction	Nature of correction	Reason for correction
	the Net Assets Statement.	
£66,019,000	Cash funds, deposits and dividends due were not disclosed in Note 11 as required by the CIPFA guidance.	To adjust Note 11 to include cash funds, deposits and dividends within the financial statements.
Various	The classification of the Pooled Investment Vehicles across Fair value Hierarchy levels was incorrectly disclosed within Note 22.	To adjust the classification of Pooled Investment Vehicles within the financial statements to bring it in line with CIPFA guidance.
	The investment asset allocation for overseas equities was identified as being above the upper threshold set out within the approved Statement of Investment Principles at 31 March 2016. Further detail is set out in <a href="#">Appendix 4</a> .	To include further narrative within the Note 23 detailing the rebalancing of asset allocations.
	The actuarial present value of retirement benefits was not disclosed within the draft financial statements. This is a disclosure requirement.	To include the actuarial present value of retirement benefits within the financial statements.
	A post balance sheet events note was not included in the draft financial statements. This is a disclosure requirement.	To include a disclosure note for post balance sheet events within the financial statements.
+£55,000	Various other minor presentational amendments were made to the draft financial statements. These amendments included an amendment to current assets which increased the Net Asset Statement by £55,000.	To improve the readability of the financial statements.

# Appendix 4

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## Recommendations arising from our 2015-16 financial audit work

We set out all the recommendations arising from our audit with management's response to them. We will follow up these next year and include any outstanding issues in next year's audit report:

### Matter arising 1 – Journal approval

<b>Findings</b>	Accountants have the facility to post and approve single journal entries up to a value of £250,000. Journal entries above £250,000 require manager approval.
<b>Priority</b>	Medium
<b>Recommendation</b>	The Authority should review its journal authorisation limits and consider lowering the value at which journals require secondary approval.
<b>Benefits of implementing the recommendation</b>	Implementation of the recommendation would improve the control environment by increasing the segregation of duties over journal processing.
<b>Accepted in full by management</b>	Agreed
<b>Management response</b>	The Authority will undertake a review in 2016-17.
<b>Implementation date</b>	June 2017.

### Matter arising 2 – Membership numbers

<b>Findings</b>	There was a net difference of 1,640 member numbers between the closing 2014-15 balance as reported in last year's accounts and the opening 2015-16 balance as indicated by the membership numbers report produced from the pensions system (note 21). Information is received from admitted and scheduled bodies relating to the previous financial year throughout April and May. The membership numbers report detailing the 2015-16 opening balances was generated on 24 May 2016. The pension database is a 'live' system and the opening balances will have been updated with new information between 1 April 2016 and 24 May 2016 when the report was generated. This timing difference will have accounted for some of the movement in member numbers – for example 794 of the net difference related to an increase in deferred pensioners. Throughout 2015-16, admitted and scheduled bodies were encouraged to provide more up to date information on deferred pensioner membership numbers dating back to 2013 to ensure that membership numbers recorded on the pension database were accurate.
<b>Priority</b>	High



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### Matter arising 2 – Membership numbers

<b>Recommendation</b>	The Authority should remind all external bodies of the importance of providing accurate and timely information to the administration team to ensure the accuracy of the figures within the Pension Fund database.
<b>Benefits of implementing the recommendation</b>	Implementation of the recommendation would improve the reconciliation, reporting of and monitoring of membership numbers within the Authority and associated bodies.
<b>Accepted in full by management</b>	Agreed
<b>Management response</b>	The Authority already regularly liaises with employers regarding their responsibilities re the importance of flow of information re starters/leavers etc, and is reinforced with roadshows and workshops with employers and agreement of employers with the Pensions Administration Strategy.
<b>Implementation date</b>	Ongoing

### Matter arising 3 – Reconciliation of the ALTAIR data base

<b>Findings</b>	There have been delays in completing the year-end reconciliation of the ALTAIR (pensions) database to the payroll systems of some admitted bodies. The reconciliation work has been delayed this year for a number of reasons, including a slow response rate from admitted bodies, staff absences and issues arising from the introduction of I-Connect software to interface the payroll and pensions systems. At 1 September 2016, only the reconciliation for NPTC Group – Neath Port Talbot College was outstanding.
<b>Priority</b>	High
<b>Recommendation</b>	The Authority must complete the year-end reconciliation of the ALTAIR database to the various payroll systems as soon as possible. Differences need to be resolved with admitted bodies. The Authority also needs to reconcile its own records following the introduction of I-Connect.
<b>Benefits of implementing the recommendation</b>	Implementation of the recommendation would resolve any differences between the Authority's records and those held by admitted bodies. This would improve the quality of the information held within the database.
<b>Accepted in full by management</b>	Agreed
<b>Management response</b>	The Authority routinely undertakes the reconciliations identified. Enquiries with NPTC Group are ongoing.
<b>Implementation date</b>	September 2016

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**Matter arising 4 – Compliance with the approved Statement of Investment Principles**

<b>Findings</b>	At the year-end, the investment asset allocation for overseas equities was above the upper threshold set out in the approved Statement of Investment Principles. The Statement of Investment Principles allows up to 39% but, at the year-end, the balance was 39.24% of the total asset allocation. It is also likely that this threshold was exceeded during the year.
<b>Priority</b>	High
<b>Recommendation</b>	The Council must ensure that arrangements are in place to ensure that the approved Statement of Investment Principles are complied with.
<b>Benefits of implementing the recommendation</b>	Implementation of the recommendation would ensure that the approved investment strategy of the Pension Fund was complied with, so reducing over exposure to risk.
<b>Accepted in full by management</b>	Agreed
<b>Management response</b>	<p>It should be recognised that, in times of volatile asset values, asset allocation parameters may be breached on a temporary basis. The merits of physically rebalancing should be weighed against the transactional costs of doing so when in the event of market reversion, the asset values would have normalised in any case.</p> <p>The physical rebalancing of the portfolio and the material costs involved can be mitigated when considered, when transitioning the passive assets later in 2016.</p>
<b>Implementation date</b>	Oct 2016



Wales Audit Office  
24 Cathedral Road  
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

Swyddfa Archwilio Cymru  
24 Heol y Gadeirlan  
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: [post@archwilio.cymru](mailto:post@archwilio.cymru)

Gwefan: [www.archwilio.cymru](http://www.archwilio.cymru)

## Report of the Chair of the Audit Committee

Council – 22 September 2016

### AUDIT COMMITTEE – ANNUAL REPORT 2015/16

<b>Purpose:</b>	This report provides the Audit Committee's Annual Report 2015/16 municipal year
<b>Report Author:</b>	Paul Beynon
<b>Finance Officer:</b>	Paul Beynon
<b>Legal Officer:</b>	Sandie Richards
<b>Access to Services Officer:</b>	Sherill Hopkins

#### FOR INFORMATION

#### 1. Introduction

- 1.1 The Council is required, under Local Government (Wales) Measure 2011 to have an Audit Committee
- 1.2 The CIPFA publication '*Audit Committee - Practical Guidance for Local Authorities and Police Bodies*' states that Audit Committees should be independent and accountable and suggests that one of the ways of being accountable is to produce an annual assessment of performance in the form of an annual report.

#### 2. Audit Committee Annual Report 2015/16

- 2.1 The Audit Committee Annual Report 2015/16 is attached in Appendix 1

#### 3. Equality and Engagement Implications

- 3.1 There are no equality and engagement implications associated with this report

#### 4. Financial Implications

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

#### 5. Legal Implications

- 5.1 There are no legal implications associated with this report.

**Background Papers:** None

**Appendices:** Appendix 1 Audit Committee Annual Report 2015/16

## **AUDIT COMMITTEE ANNUAL REPORT 2015/16**

### **1. Foreword by Mr. Alan Thomas, Chair of the Audit Committee**

- 1.1 In order for the Audit Committee to function effectively, it must have the support and input of both Councillors and Council Officers when requested to attend specific Audit Committee meetings.
- 1.2 On behalf of the Committee, I can confirm that the necessary support has been achieved and sufficient assurance obtained so that there are no critical issues that need to be reported to the Council.
- 1.3 While the Committee planned to hold meetings every 2 months, it was necessary to arrange a number of special meetings to ensure sufficient quality time was made available to fully cover the essential workload.
- 1.4 The Committee continues to work closely with Internal Audit and the financial and performance audit staff at the Wales Audit Office who regularly provide input to Audit Committee meetings.
- 1.5 We also continue to evolve links with Scrutiny and other Committees as necessary in order to minimise the risk of duplication.
- 1.6 Where a moderate or limited level of assurance has arisen from a specific Internal Audit report, I have written to the respective Head of Service raising the concerns of the Audit Committee. I also followed up the letter with a subsequent meeting with the Head of Service and Chief Auditor to review ongoing progress prior to follow up by Internal Audit.
- 1.7 Looking forward, there have been a number of personnel changes on the Committee over the last 12 months, so a follow up training programme will be undertaken in the coming months
- 1.8 We will also incorporate regular reviews of the corporate governance processes in action following the review of the processes over the last year.

### **2. Introduction**

- 2.1 The Council is required, under the Local Government (Wales) Measure 2011 to have an Audit Committee which among other things must include at least 1 lay member.
- 2.2 The Measure requires the Audit Committee to review and scrutinise the Council's financial affairs, risk management, internal control and governance arrangements. It also requires the Committee to oversee the Council's internal and external audit arrangements and review its financial statements.

- 2.3 The work of the Audit Committee is structured so that the Committee can gain assurance over the areas identified above and to comply with its terms of reference.
- 2.4 The draft Audit Committee Annual Report 2015/16 was presented for discussion to the Audit Committee meeting held on 19 April 2016. No changes to the draft report were made at the April meeting although the Chair has added a foreword to the report since it was originally reported to Committee.
- 2.5 The Committee is now being asked to approve the Audit Committee Annual Report 2015/16 prior to the report being presented to Council.

### **3. Committee Membership**

- 3.1 The membership of the Audit Committee during 2015/16 is shown in the following table

Mr AM Thomas – Lay Member and Chair	Cllr PM Meara
Cllr JC Bayliss replaced by Cllr C Anderson 25/06/15	Cllr G Owens replaced by Cllr TJ Hennegan 26/11/15
Cllr RA Clay	Cllr D Phillips
Cllr AM Cook replaced by Cllr TM White 25/06/15	Cllr RV Smith
Cllr PR Hood-Williams	Cllr DWW Thomas replaced by Cllr C Thomas 10/03/16
Cllr L James	Cllr LV Walton
Cllr JW Jones – Vice Chair	

- 3.2 The Committee moved to a schedule of 2 monthly meetings for 2015/16 however it was noted quite early in the year that the agenda for the bi-monthly meetings were becoming excessively long so a number of special meetings were arranged to help smooth out the Committee's work programme.
- 3.3 The Committee met on 9 occasions during 2015/16, 6 scheduled meetings and 3 special meetings. Over the course of the year, attendance at the meetings was 71%

### **4. Internal Audit Assurance**

- 4.1 The Audit Committee approved the Internal Audit Charter 2015/16 as required by the Public Sector Internal Audit Standards
- 4.2 The Audit Committee also approved the Internal Audit Annual Plan 2015/16 and has received quarterly monitoring reports from the Chief Auditor showing progress against the Plan.
- 4.3 The quarterly monitoring reports identified any audits that received a moderate or limited level of assurance along with an outline of the issues which led to the audit receiving the negative assurance level.

- 4.4 The Chair has written to a number of Heads of Service where audits in their area of responsibility received a moderate or limited level of assurance to raise the concerns of the Committee and to highlight the need for improvement in controls.
- 4.5 The Chair has also met with the Head of Service where the audit received a moderate or limited level of assurance at the previous audit. The Committee's view is that this indicates that the service has failed to improve since the previous audit which therefore requires a firmer response from the Committee to support the findings of the Internal Audit Section. Face to face meetings are more proactive and are likely to lead to a positive response from the service area.
- 4.6 The Internal Audit Annual Report 2014/15 was reported to the Audit Committee which included a review of actual work completed compared to the Annual Plan.
- 4.7 The Internal Audit Annual Report also included the Chief Auditor's opinion on the internal control environment for 2014/15 which stated that based on the audit testing carried out reasonable assurance can be given that the systems of internal control are operating effectively and that no significant weaknesses were identified which would have a material impact on the Council's financial affairs.
- 4.8 The Internal Audit Annual Report of School Audits 2014/15 was presented to the Audit Committee. This report summarised the school audits undertaken during the year and identified some common themes identified across school audits.

## **5. Annual Governance Statement 2014/15**

- 5.1 The draft Annual Governance Statement 2014/15 was presented to the Audit Committee prior to being reported to Cabinet for approval.
- 5.2 This gave the Committee the opportunity to review and comment upon the Statement and to ensure that it properly reflected the assurances provided to the Committee over the course of the year.

## **6. Annual Statement of Accounts 2014/15**

- 6.1 The Head of Finance and Delivery presented the draft Statement of Accounts 2014/15 for the Council and the Pension Fund to the Committee and answered a number of questions raised by members of the Committee.
- 6.2 PwC, on behalf of the Wales Audit Office, presented a progress report to the Audit Committee outlining the progress made in completing the annual audit of the accounts.
- 6.3 Following the completion of the audit of the Statement of Accounts 2014/15, the Chair requested that a special meeting be arranged for PwC to present its Audit of Financial Statements reports to the Audit Committee prior to the reports going to Cabinet. The reports presented the detailed findings of the audit and stated that the



intention was to issue an unqualified audit report on the financial statements

## **7. External Audit Assurance**

7.1 As well as the Audit of Financial Statements reports mentioned above, the external auditors also provided assurance to the Audit Committee by presenting the following reports

- Wales Audit Office – 2015 Audit Plan including performance and financial audit work
- Internal Controls Report 2014/15
- Annual Audit Letter 2014/15

## **8. Implementation of Audit Recommendations**

8.1 An important role undertaken by the Audit Committee is monitoring the implementation of agreed audit recommendations arising from both internal and external auditors.

8.2 The implementation of any Internal Audit recommendations arising from the fundamental audits is reported to the Audit Committee in the Recommendations Tracker report. For 2014/15, the results of the tracker exercise showed that 79% of agreed recommendations due for implementation by 31 December 2015 had been implemented. The implementation of the outstanding recommendations will be reviewed as part of the fundamental audits in 2015/16.

8.3 The implementation of any high or medium risk recommendations arising from non-fundamental audits is subject to follow up procedures by Internal Audit to confirm they have been implemented. The results of the follow ups are reported to the Audit Committee in the quarterly Internal Audit Monitoring Reports.

8.4 A number of follow up audits were reported to the Committee during 2015/16 and it was found that substantial progress had been made by management in implementing the agreed recommendations.

8.5 The Audit Committee also received a report from the Head of Economic Regeneration and Planning which included an action plan outlining the action being taken to implement the recommendations arising from the Section 106 Planning Agreements audit which had received a limited level of assurance

8.6 The Internal Controls Report presented to the Audit Committee by the external auditors includes any recommendations made as a result of their work and the action taken by management to implement the recommendations.

## **9. Risk Management**

9.1 The Local Government (Wales) Measure 2011 makes the overview of risk management a function of the Audit Committee

9.2 The Head of Finance and Delivery provided 2 update reports on Risk Management to the Committee and an annual review of Risk Management for 2015/16 is to be provided to the June 2016 meeting of the Committee.

## **10. Performance Audit**

10.1 The Audit Committee received regular briefings from the Wales Audit Office on the performance audit work being undertaken within the City and County of Swansea

10.2 The Wales Audit Office's Performance Audit Plan 2015 was reported to the Committee and regular updates on progress against the Plan were provided by the Wales Audit Office throughout the year.

10.3 The Annual Improvement Report incorporating the Corporate Assessment Report 2014 for the City and County of Swansea was reported to the Audit Committee.

## **11. Relationship with Scrutiny Function**

11.1 The Audit Committee has continued to develop a relationship with the Scrutiny function. The relationship is intended to ensure the following

- Mutual awareness and understanding of the work of Scrutiny and the Audit Committee
- Respective workplans are coordinated to avoid duplication / gaps
- Clear mechanism for referral of issues if necessary

11.2 The Chair attended the Scrutiny Work Planning Conference to provide an Audit Committee input into the areas of proposed work for Scrutiny during 2015/16.

11.3 The Chair has attended the Scrutiny Programme Committee to provide an update on the work of the Audit Committee and also shared the Audit Committee Annual Report 2014/15 and Workplan 2015/16 with the Scrutiny Programme Committee.

11.4 The Chair of the Scrutiny Programme Committee has attended the Audit Committee to provide an update on the work of Scrutiny. The Scrutiny Annual Report 2014/15 and Scrutiny Work Programme 2015/16 were also presented to the Audit Committee.

## **12. Anti-Fraud**

12.1 A Corporate Fraud Team was established during 2015/16 within the Internal Audit Section and a detailed presentation was made to the Audit Committee on the role of the new team.

12.2 A Corporate Fraud Annual Plan 2016/17 and Corporate Fraud Team Annual Report 2015/16 will be presented to the Audit Committee early in the new municipal year.

12.3 The new team has been involved in a number of investigations and the final report on one of the investigations was reported to the Committee. Further reports will be presented on the conclusion of live investigations.

### **13. Briefings**

13.1 The Audit Committee received a number of briefings during 2015/16 as noted below

- Cabinet Advisory Committees
- Corporate Governance Review
- Housing Benefits Investigation Team - Annual Report 2014/15
- Coastal Project
- Debt Write Offs
- ICT Contract Transfer
- Internal Audit Plan Methodology
- New Build for YGG Lon Las – referral from Cabinet
- Peer Review Update

13.2 The Wales Audit Office provided a detailed briefing on the Key Issues for Audit Committees including

- The statutory role of the Audit Committee
- The huge remit of the Committee
- The need to seek assurance not undertake substantive work
- Potential changes to the remit as a result of the Devolution, Democracy and Delivery White Paper

### **14. Audit Committee – Performance Review**

14.1 The Audit Committee undertook a review of its performance during 2015/16 using a Self-Assessment of Good Practice Questionnaire published by CIPFA in its *Audit Committees – Practical Guidance for Local Authorities and Police Bodies* publication.

14.2 The outcome of the performance review was that the Committee felt that it was generally performing well measured against the Questionnaire although the following issues were identified which will be addressed during 2016/17.

- The need for the Committee to review its approach to gaining assurance over corporate governance. The review will follow the publication of the ongoing Corporate Governance Review by the Head of Legal and Democratic Service.
- The provision of training to Committee members based on the CIPFA Knowledge and Skills Framework. A training meeting will be held on 14 June 2016.

### **15. Future Audit Committee Meetings**

15.1 The Council Diary for the new municipal year continues to include Audit Committee meetings on a 2 monthly basis. .

- 15.2 However, based on the experience during 2015/16, it is clear that special meetings will need to be held at certain times of the year to ensure the smooth delivery of the Committee's work programme. At this stage it is envisaged that special meetings will need to be arranged in July and September for the draft Annual Statement of Accounts and the Wales Audit Office audited Statement of Accounts report.
- 15.3 The Committee has the ability to call further additional meetings if necessary.

## Report of the Section 151 Officer

Council – 22 September 2016

### STATEMENT OF ACCOUNTS 2015/16

<b>Purpose:</b>	The Council is required to approve the 2015/16 accounts on or before 30 <sup>th</sup> September 2016.
<b>Policy Framework:</b>	Budget and Accounts 2015/16.
<b>Reason for Decision:</b>	To comply with the Accounts and Audit (Wales) Regulations 2014.
<b>Consultation:</b>	Legal, Finance and Access to Services.
<b>Recommendation(s):</b>	It is recommended that the 2015/16 Statement of Accounts in Appendix A be approved.
<b>Report Author:</b>	Mike Hawes
<b>Finance Officer:</b>	Mike Hawes
<b>Legal Officer:</b>	Tracey Meredith
<b>Access to Services Officer:</b>	Sherill Hopkins

#### 1.0 Introduction

1.1 The Statement of Accounts for the year 2015/16 is attached in Appendix A and is recommended to Council for approval.

#### 2.0 Timetable for completion and audit of the 2015/16 accounts

2.1 The key dates in relation to the 2015/16 accounts process are as follows:-

24 <sup>th</sup> June 2016	The draft Statement of Accounts was completed and certified by the Section 151 Officer in line with the requirements of the Accounts and Audit Regulations.
20 <sup>th</sup> September 2016	Audit Committee will consider the Auditor's reports together with any amendments arising from audit work undertaken up to 20 <sup>th</sup> September 2016.

22 <sup>nd</sup> September 2016	Council is asked to formally approve the 2015/16 Statement of Accounts.
30 <sup>th</sup> September 2016	Statutory date for the completion of the external audit of the Statement of Accounts.
25 <sup>th</sup> October 2016	Audit Committee will further consider the Auditor's reports as presented to Council together with any amendments arising from audit work undertaken up to and including 30 <sup>th</sup> September 2016.

### **3. Changes to the format and content of the Statement of Accounts**

3.1 There are no changes to the format and content of the 2015/16 Statement of Accounts.

### **4.0 Financial Implications**

4.1 There are no direct financial implications arising from this report.

### **5.0 Legal Implications**

5.1 There are no legal implications associated with this report.

### **6. Equalities and Engagement Implications**

6.1 There are no Equalities or Engagement implications associated with this report.

**Background Papers:** None.

**Appendices:** Statement of Accounts given as an Appendix A to the Council Agenda

## Report of the Section 151 Officer

Council - 22 September 2016

### TREASURY MANAGEMENT ANNUAL REPORT 2015/16

<b>Purpose:</b>	This report provides details of the Council's Treasury Management activities during 2015/16 and compares actual performance against the strategy laid down at the start of the year.
<b>Policy Framework:</b>	Treasury Management Policy Statement
<b>Reason for Decision:</b>	This report is made to Council to comply with the requirements of CIPFA's Codes of Practice and as such, there is no decision required.
<b>Consultation:</b>	Finance, Access to Services and Legal
<b>Recommendation:</b>	The report is for information. Members are asked to note the details contained in the report
<b>Report Author:</b>	J. Dong
<b>Finance Officer:</b>	M. Hawes
<b>Legal Officer:</b>	T Meredith
<b>Access to Services Officer</b>	S. Hopkins
<b>FOR INFORMATION</b>	

## 1 Introduction

- 1.1 Under the CIPFA Code of Practice on Treasury Management in Public Services, there is a requirement: "...for the Council to receive reports on its treasury management policies, practices and activities".

This report summarises the activities for the year. The Prudential Code for Capital Finance in Local Authorities also requires the reporting of outturn Prudential Indicators for the year.

## 2 Executive Summary of Activities During The Year

- 2.1 The net borrowing requirement identified for the General Fund 2015/16 was £30.224M. Taking advantage of historically low Gilt yields at the end of the financial year, the Council borrowed £20m at an average interest rate of 2.5%

- 2.2 As reported to Council in December 2014, the Council ( in respect of the Housing Revenue Account (HRA) was to enter into a financial transaction with Welsh Government and HM Treasury to buy itself out of the HRA Subsidy system in April 2015 effective in financial year 2015/16
- 2.3 In order to facilitate the HRA Subsidy buyout in 2015/16, borrowing in respect of the HRA of £73.580M was authorised and arranged on March 31<sup>st</sup> 2015 for receipt and remittance to Welsh Government on April 2<sup>nd</sup> 2015. The basket of loans was agreed with Welsh Government.
- 2.4 The average interest rate on outstanding Council borrowing was 5.15% down from 5.45%
- 2.5 Internally Managed investments achieved a return of 0.55%. This represents an outperformance of +0.19% from the average 7 day LIBID benchmark rate of 0.36%.
- 2.6 The Council has operated within the determined treasury limits outlined in the appendices

### **3 Financial Implications**

- 3.1 There are no financial implications arising directly from this report

### **4 Legal Implications**

- 4.1 There are no legal implications arising directly from the report.

### **5 Equality Impact Assessment Implication**

- 5.1 There are no equality impact assessment implications arising directly from the report

### **Appendices:**

Appendix A – Treasury Management Annual Report 2015/16

### **Background Papers:**

- Treasury Management Strategy, Prudential Indicators, Investment Strategy & Minimum Revenue Provision Statement 2015/16 (Feb 2015)
- Treasury Management Strategy, Prudential Indicators, Investment Strategy & Minimum Revenue Provision Statement 2016/17 (Feb 2016)



# Treasury Management Annual Report

## 2015/16

### *Contents*

#### **Section**

- 1. Executive Summary**
- 2. Introduction and Background**
- 3. Debt Portfolio**
- 4. Treasury Strategy 2015/16**
- 5. Actual Borrowing 2015/16**
- 6. Compliance with Treasury Limits**
- 7. Capital Financing Charges 2015/16**
- 8. Investment Strategy for 2015/16**
- 9. Actual Investments 2015/16**
- 10. Early Debt Repayment**

**Appendices**

# 1. Executive Summary

- 1.1 The net borrowing requirement identified for the General Fund 2015/16 was £30.224M. Taking advantage of historically low Gilt yields at the end of the financial year, the Council borrowed £20m at an average interest rate of 2.5%
- 1.2 As reported to Council in December 2014, the Council ( in respect of the Housing Revenue Account (HRA) was to enter into a financial transaction with Welsh Government and HM Treasury to buy itself out of the HRA Subsidy system in April 2015 effective in financial year 2015/16
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- 1.5 Internally Managed investments achieved a return of 0.55%. This represents an outperformance of +0.19% from the average 7 day LIBID benchmark rate of 0.36%.
- 1.6 The Council has operated within the determined treasury limits outlined in the appendices.

## 2. Introduction and Background

- 2.1 Treasury Management in local government is regulated by the CIPFA Code of Practice on Treasury Management in Public Services (the Code). The City and County of Swansea has adopted the Code and complies with its requirements. A glossary of terms used throughout this report is included at Appendix 3.
- 2.2 The primary requirements of the Code are the:
  - Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's Treasury Management activities
  - Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives
  - Receipt by the Council of an annual Treasury Management strategy report for the year ahead , a mid term update report and an annual review report of the previous year
  - Delegation by the Council of responsibilities for implementing and monitoring Treasury Management policies and practices and for the execution and administration of Treasury Management decisions
  - Treasury Management, in this context, is defined as:

*"The management of the local authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of the optimum performance or return consistent with those risks"*

- 2.3 The Council has previously received in February 2015 the Treasury Strategy Statement and Investment Strategy for 2015/16.
- 2.4 The Prudential Code for Capital Finance in Local Authorities has been developed as a professional code of practice to support local authorities in determining their programmes for capital investment. Local authorities are required by Regulation under Part 1 of the Local Government Act 2003 to comply with the Prudential Code.
- 2.5 The objective of the Code is to provide a framework for local authority capital finance that will ensure for individual local authorities that:
- Capital expenditure plans are affordable
  - All borrowing and long term liabilities are within prudent and sustainable levels
  - Treasury Management decisions are taken in accordance with professional good practice
- 2.6 The Code includes a set of Prudential Indicators, which are designed to support and inform local decision-making. The 2015/16 Prudential Indicators are detailed in Appendix 1.

### 3. Debt Portfolio

- 3.1 The Council's external borrowing position at the beginning and end of the year was as follows:

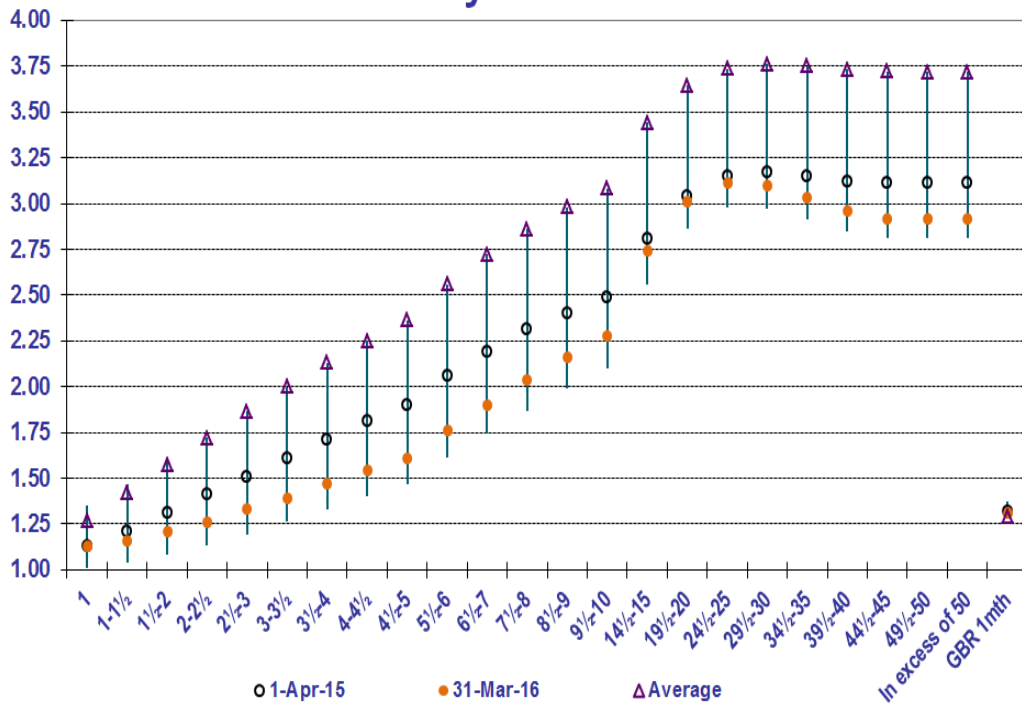
	1 April 2015		31 March 2016	
	Principal £'000	Interest Rate %	Principal £'000	Interest Rate %
<b>Long Term Debt</b>				
PWLB - fixed rate	212,981	6.10	303,372	5.54
Money Market (LOBO)	98,000	4.10	98,000	4.10
Local Bonds				
<b>Short Term Debt</b>				
Money Market	20	0.37	25	0.39
External Bodies	1,229	0.59	1,035	0.70
<b>Total Debt</b>	<b>312,230</b>	<b>5.45</b>	<b>402,432</b>	<b>5.15</b>

- 3.2 The average external debt portfolio interest rate was 5.15%.

## 4. Treasury Strategy 2015/16

- 4.1 Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1 2016. However, by the end of the year, market expectations had moved back radically to quarter 2 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.
- 4.2 These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in the UK surged strongly during both 2013/14 and 2014/15 to make the UK the top performing advanced economy in 2014. However, 2015 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.
- 4.3 The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling materially. These rates continued at very low levels during 2015/16.
- 4.4 The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.
- 4.5 **PWLB certainty maturity borrowing rates** - the graphs and table for PWLB rates below and in appendix 3, show, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year.

## PWLB certainty rate variations in 2015-16



- 4.6 The expectation for interest rates within the treasury management strategy for 2015/16 anticipated low but rising Bank Rate, (starting in quarter 1 of 2016), and gradual rises in medium and longer term fixed borrowing rates during 2016/17. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.
- 4.7 In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.
- 4.8 The actual movement in gilt yields meant that the general trend in PWLB rates during 2015/16 was an increase in rates during the first quarter followed by marked bouts of sharp volatility since July 2015 but with an overall dominant trend for rates to fall to historically low levels by the end of the year, which resulted in the external borrowing undertaken in March 2016 ( see 5.2 below)

## 5. Actual Borrowing 2015/16

- 5.1 The Treasury Management strategy 2015/16 agreed by the Council in February 2016 included a borrowing requirement for the General Fund of £30.224m.
- 5.2 As identified in 4.8 above, the end of the financial year saw historically low levels for Gilt yields and the Authority determined to take advantage of some of the low long term rates available and borrowed a total of £20m at an average interest rate of 2.51% from the PWLB on the 17<sup>th</sup> March 2016. The maturity dates were selected to complement the existing maturity profile and minimise interest burden. The loans taken out were :

Amount	Maturity	Interest Rate
£3m	5 years	1.71%
£5m	9 years	2.26%
£4.5m	45 years	2.94%
£5m	46 years	2.74%
£2.5m	47 years	2.73%

- 5.3 As reported to Council in December 2014, the Council ( in respect of the Housing Revenue Account (HRA) was to enter into a financial transaction with Welsh Government and HM Treasury to buy itself out of the HRA Subsidy system in April 2015 effective in financial year 2015/16
- 5.4 In order to facilitate the HRA Subsidy buyout in 2015/16, borrowing in respect of the HRA of £73.580M was authorised and arranged on March 31<sup>st</sup> 2015 for receipt and remittance to Welsh Government on April 2<sup>nd</sup> 2015. The basket of loans was agreed with Welsh Government.

## 6. Compliance with Treasury Limits

- 6.1 During the year, the Council operated within the limits set out in the Council's Treasury Management Strategy 2015/16 under the Prudential Code. The outturn for the prudential indicators are shown in Appendix 1.

## 7. Capital Financing Charges 2015/16

- 7.1 The capital financing charges made to the Council's accounts for 2015/16 including capital repayments net of discounts/premiums and interest receivable are detailed below.

	Actual 2014/15		Actual 2015/16	
	£'000	Net Interest Rate %	£'000	Net Interest Rate %
Housing Revenue A/c	4,329	4.52	7,170	4.12
General Fund	27,454	4.38	27,422	4.01

- 7.2 The net capital financing rates charged differ from the average rate of interest for external debt due to the fact that part of the Council's borrowing for capital purposes is funded by the investment of internal reserves and the use of internal balances and application of discounts/premia.

## 8. Investment Strategy for 2015/16

- 8.1 Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for seven years. Market expectations as to the timing of the start of monetary tightening started the year at quarter 1 2016 but then moved back to around quarter 2 2018 by the end of the year.

Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme and due to the continuing weak expectations as to when Bank Rate would start rising.

- 8.2 Overlaying the relatively poor investment returns were the continued counterparty concerns, most evident in the Euro zone.
- 8.3 As a result of the above, a cautious borrowing and investment strategy was implemented in 2015/16. The paramount consideration in making investments was the security of the investment. Given the low interest rates achievable on Council investments, it is a broad adopted principle to internally finance any new capital borrowing requirement. This results in a lower net interest charge to the Council and reduced risk in relation to security of investment without incurring cost of carry ( i.e borrowing at a higher rate than is available for investment). This is notwithstanding the borrowing undertaken in March 2016 which took advantage of historic low interest rates available at the time outlined in 5.2 above.
- 8.4 The Council's investment policy is governed by WAG guidance, which was implemented in the annual investment strategy approved by the Council on February 2016. This policy sets out the approach for choosing investment counterparties, and is based on our Treasury Advisors' investment colour matrix based on credit ratings provided by the three main credit rating agencies supplemented by additional market data such as rating outlooks, credit default swaps information, bank share prices etc. New investments were restricted to UK based institutions only which satisfied these criteria.

## 9. Actual Investments 2015/16

- 9.1 The Council manages its cashflow and core balance investments internally, having realised its cash balances held with its external cash fund manager during the financial year. These balances were invested on the Money Market via brokers or directly with banks and building societies, other local authorities and the Debt Management Office ( DMO) within the criteria set out in 8.4 above. The balances held during the year were as follows:

Balance 1 April 2015	Balance 31 March 2016	Average Value 2015/16	Interest	Rate of Return	Benchmark 7 day LIBID
£'000	£'000	£'000	£'000	%	%
53,837	49,229	67,845	376	0.55	0.36

- 9.2 The interest achieved on internally managed investments was £0.376m or 0.55%. This return outperformed the benchmark seven-day rate by +0.19%.
- 9.3 As a further measure to mitigate and control risk following the financial crisis, the Authority determined to restrict investments to UK domiciled only banks and financial institutions in October 2008 resulting in an even smaller number of available counterparties to invest with. This policy was maintained in light of continued sovereign debt crises throughout Europe. The list of investments as at 31<sup>st</sup> March 2016 is attached at Appendix 4.

## **10. Debt Repayment/Rescheduling**

- 10.1 Market conditions are constantly monitored for opportunities to repay or reschedule debt in line with good Treasury Management. No such opportunities arose in 2015/16.



## Prudential Indicators

Capital Prudential Indicators	2014/15	2015/16	2015/16
	Actual	Revised Estimate	Actual
	£'000	£'000	£'000
<b>Capital Expenditure</b>			
GF	67,169	72,063	47,679
HRA	24,582	122,475	114,997
TOTAL	91,751	194,538	162,679
<b>Ratio of financing costs to net revenue stream</b>	%	%	%
GF	7.96	6.89	6.69
HRA	8.01	13.07	13.33
<b>Incremental Impact on Council Tax (Band D) or Council House Rent</b>	£	£	£
GF	86.94	79.13	81.36
HRA	0.00	0.00	0.00
<b>Capital Financing Requirement</b>	£'000	£'000	£'000
GF	333,683	339,080	328,493
Credit Arrangements	2,472	2,218	1,656
HRA	63,485	143,149	135,158
TOTAL	399,640	484,447	465,307

Treasury Management Prudential Indicators	2014/15	2015/16	2015/16
	Actual	Revised Estimate	Actual
	£'000 or %	£'000 or %	£'000 or %
Authorised limit for external debt	312,230	606,216	402,432
Operational boundary for external debt	312,230	546,216	402,432
Upper limit for fixed interest rate exposure	68.61%/ £214,230	100%/ £606,216	75.65%/ £508,216
Upper limit for variable interest rate exposure	31.39%/ £98,000	40%/ 242,486	24.35%/ £98,000
Upper limit for total principal sums invested for over 364 days	0	0	0

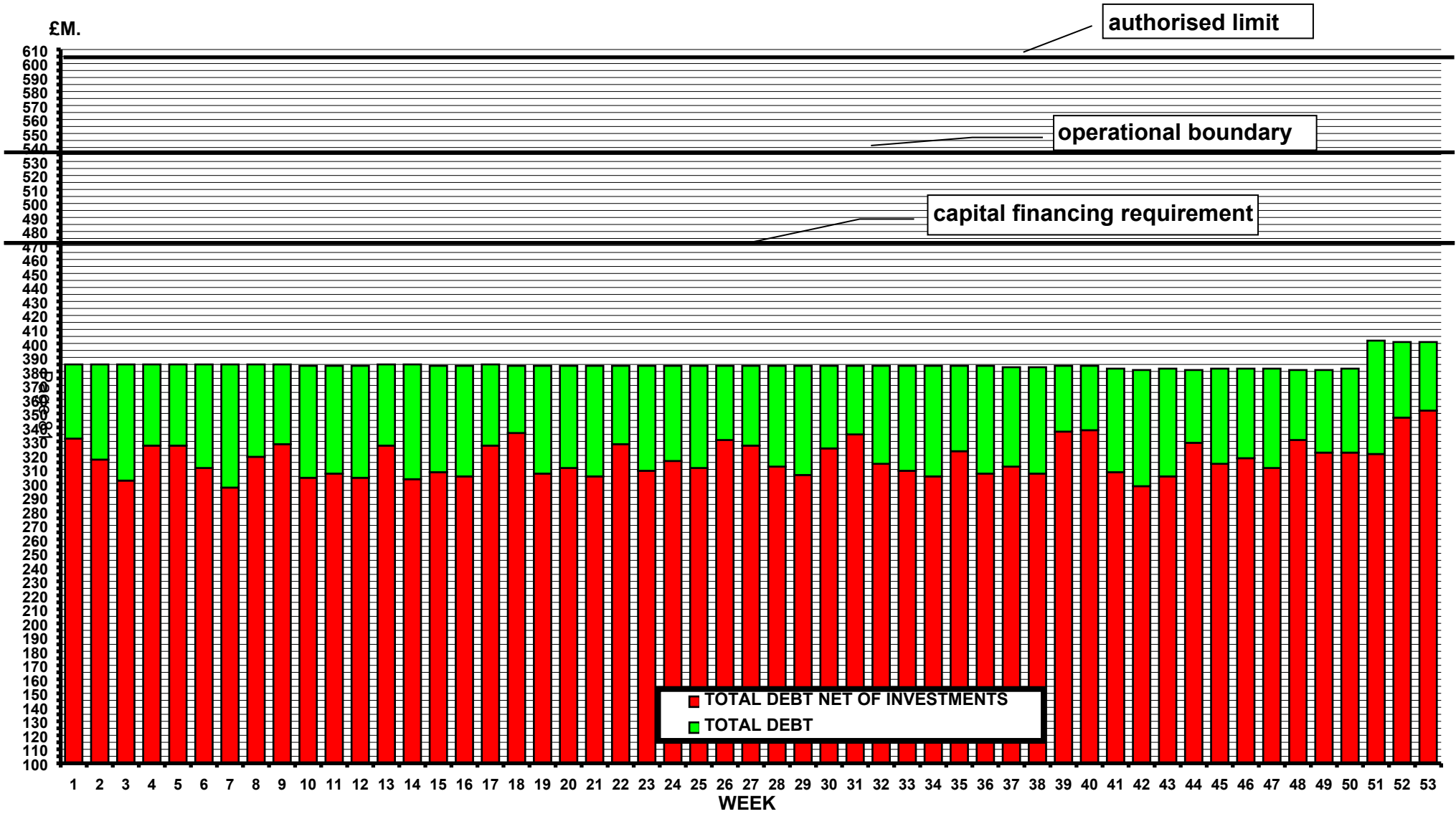
<b>Maturity Structure of Fixed Rate Borrowing in 2015/16</b>			
	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Actual</b>
Under 12 months	50%	0%	1%
12 months and within 24 months	50%	0%	2%
24 months and within 5 years	50%	0%	1%
5 years and within 10 years	85%	0%	2%
10 years and above	95%	15%	94%

The Treasury Management Prudential Indicators identified above as:

- Upper limit for fixed interest rate exposure
- Upper limit for variable interest rate exposure
- Upper limit for total principal sums invested for over 364 days
- Maturity Structure of fixed rate borrowing in 2015/16

are shown as at balance sheet date 31<sup>st</sup> March 2016, however it can be reported that none of the above limits were breached during 2015/16. The level of outstanding debt throughout 2015/16 is shown in Appendix 2 and can be seen to be within the capital financing requirement, operational boundary and authorised limit for the whole of 2015/16.

**TOTAL DEBT OUTSTANDING - 2015/2016**



## Treasury Management – Glossary of Terms

<b>Annualised Rate of Return</b>	Represents the average return which would have been achieved each year.
<b>Authorised Limit</b> <i>( can also be considered as the affordable borrowing limit)</i>	The authorised limit must be set to establish the outer boundary of the local authority's borrowing based on a realistic assessment of the risks. The authorised limit is certainly not a limit that an authority will expect to borrow up to on a regular basis. It is crucial that it is not treated as an upper limit for borrowing for capital expenditure alone since it must also encompass borrowing for temporary purposes. It is the expected maximum borrowing need, with some headroom for unexpected movement.
<b>Bank Rate</b>	The Official Bank rate paid on commercial bank reserves i.e. reserves placed by commercial banks with the Bank of England as part of the Bank's operations to reduce volatility in short term interest rates in the money markets.
<b>Base Rate</b>	Minimum lending rate of a bank or financial institution in the UK.
<b>Basis Points (bp)</b>	A basis point is 0.01 of 1% (100 bp = 1%)
<b>Borrowing</b>	In the Code, borrowing refers to external borrowing. Borrowing is defined as both:- <ul style="list-style-type: none"> <li>• Borrowing repayable with a period in excess of 12months</li> <li>• Borrowing repayable on demand or within 12months</li> </ul>
<b>Capital Expenditure</b>	The definition of capital expenditure starts with all those items which can be capitalised in accordance with the Statement of Recommended Practice (SORP). To this must be added any items that have/will be capitalised in accordance with legislation that otherwise would not be capitalised. Prudential indicators for current and future years are calculated in a manner consistent with this definition.

<b>Capital Financing Charges (see financing costs also)</b>	These are the net costs of financing capital i.e. interest and principal, premium less interest received and discounts received.
<b>Capital Financing Requirement</b>	The Capital Financing Requirement is simply the total outstanding capital expenditure, which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need.
<b>CIPFA</b>	The Chartered Institute of Public Finance and Accountancy. One of the leading professional accountancy bodies in the UK and the only one which specialises in the public services.
<b>Counterparty</b>	The organisations responsible for repaying the Council's investment upon maturity and for making interest payments.
<b>Credit Rating</b>	<p>This is a scoring system that lenders issue people with to determine how credit worthy they are.</p> <p>The Credit Rating components are as follows:</p> <ol style="list-style-type: none"> <li>1. The AAA ratings through to C/D are long-term rating definitions and generally cover maturities of up to five years, with the emphasis on the ongoing stability of the institution's prospective financial condition. AAA are the most highly rated, C/D are the lowest. This Council does not invest with institutions lower than AA- for investments over 364 days</li> <li>2. F1/A1/P1 are short-term rating definitions used by Moody's, S&amp;P and Fitch Ratings for banks and building societies based on their individual opinion on an institution's capacity to repay punctually its short-term debt obligations (which do not exceed one year). This Council does not invest with institutions lower than F1/A1/P1 for investments under 364 days.</li> </ol>
<b>Debt</b>	For the purposes of the Code, debt refers to the sum of borrowing (see above) and other long-term liabilities (see below). It should be

	noted that the term borrowing used with the Act includes both borrowing as defined for the balance sheet and other long terms liabilities defined as credit arrangements through legislation.
<b>Discounts</b>	Where the prevailing interest rate is higher than the fixed rate of a long-term loan, which is being repaid early, the lender can refund the borrower a discount. This is calculated on the difference between the two interest rates over the remaining years of the loan, discounted back to present value. The lender is able to offer the discount, as their investment will now earn more than when the original loan was taken out.
<b>Financing Costs</b>	The financing costs are an estimate of the aggregate of the following:- <ul style="list-style-type: none"> <li>• Interest payable with respect to borrowing</li> <li>• Interest payable under other long-term liabilities</li> <li>• Gains and losses on the repurchase or early settlement of borrowing credited or charged to the amount to be met from government grants and local taxpayers (premiums and discounts)</li> <li>• Interest earned and investment income</li> <li>• Amounts required in respect of the minimum revenue provision plus any additional voluntary contributions plus any other amounts for depreciation/impairment that are charged to the amount to be met from government grants and local taxpayers</li> </ul>
<b>Financial Reporting Standards (FRSs)</b>	These are standards set by governing bodies on how the financial statements should look and be presented.
<b>Investments</b>	Investments are the aggregate of:- <ul style="list-style-type: none"> <li>• Long term investments</li> <li>• Short term investments (within current assets)</li> <li>• Cash and bank balances including overdrawn balances</li> </ul> <p>From this should be subtracted any</p>

	investments that are held clearly and explicitly in the course of the provision of, and for the purposes of, operational services.
<b>IMF</b>	International Monetary Fund
<b>LOBO (Lender's Option/ Borrower's Option)</b>	Money Market instruments that have a fixed initial term (typically one to ten year) and then move to an arrangement whereby the lender can decide at pre-determined intervals to adjust the rate on the loan. At this stage the borrower has the option to repay the loan.
<b>London Inter-Bank Bid Rate (LIBID)</b>	The interest rate at which major banks in London are willing to borrow (bid for) funds from each other.
<b>Managed Funds</b>	<p><u>In-House Fund Management</u> Surplus cash arising from unused capital receipts can be managed either by external fund managers or by the Council's staff in-house. The in-house funds are invested in fixed deposits through the money markets for periods up to one year.</p> <p><u>Externally Management Funds</u> Fund managers appointed by the Council invest surplus cash arising from unused capital receipts in liquid instruments such as bank certificates of deposit and government stocks. The fund managers' specialist knowledge should ensure a higher rate of earnings on the managed funds than would be otherwise obtained.</p>
<b>Maturity</b>	The date when an investment is repaid or the period covered by a fixed term investment.
<b>Minimum Revenue Provision (MRP)</b>	The amount required by statute to be principal repayment each year.
<b>Monetary Policy Committee (MPC)</b>	This is a body set up by the Government in 1997 to set the repo rate (commonly referred to as being base rate). Their primary target (as set by the Government) is to keep inflation within plus or minus 1% of a central target of 2% in two year time from the date of the monthly meeting of the Committee. Their secondary target is to support the Government

	in maintaining high and stable levels of growth and employment.
<b>Money Market</b>	<p>Consists of financial institutions and deals in money and credit.</p> <p>The term applied to the institutions willing to trade in financial instruments. It is not a physical creation, but an electronic/telephone one.</p>
<b>Net Borrowing</b>	For the purposes of the Code, net borrowing refers to borrowing (see above) net of investments (see above).
<b>Net Revenue Stream</b>	Estimates for net revenue stream for current and future years are the local authority's estimates of the amounts to be met from government grants and local taxpayers.
<b>Operational Boundary</b>	This is based on expectations of the maximum external debt of the authority according to probable not simply possible – events and being consistent with the maximum level of external debt projected by the estimates. It is not a limit and actual borrowing could vary around this boundary for short periods.
<b>Other Long Term Liabilities</b>	The definition of other long term liabilities is the sum of the amounts in the Council's accounts that are classified as liabilities that are for periods in excess of 12months, other than borrowing (see definition above).
<b>Premature Repayment of Loans (debt restructuring/rescheduling)</b>	A facility for loans where the Council can repay loans prior to the original maturity date. If the loan repaid has a lower interest rate than the current rate for a loan of the same maturity period the Council can secure a cash discount on the repayment of the original loan. If the loan replaced has a higher rate of interest than the current rate for a loan of the same maturity period, a cash penalty is payable to the lender.
<b>Premia</b>	Where the prevailing current interest rate is lower than the fixed rate of a long term loan, which is being repaid early, the lender can



	charge the borrower a premium. This is calculated on the difference between the two interest rates over the remaining years of the loan, discounted back to present value. The lender may charge the premium, as their investment will now earn less than when the original loan was taken out.
<b>Prudential Code</b>	The Prudential Code is the largely self regulatory framework outlined by CIPFA for managing/monitoring capital investment in local government.
<b>Public Works Loan Board (PWLB)</b>	A Government agency which provides loans to local authorities. Each year, it issues a circular setting out the basis on which loans will be made available. Loans can be either at a fixed rate or on a variable rate basis. They can be repaid on either an annuity, equal instalment of principal or maturity basis. The interest rate charged is linked to the cost at which the Government itself borrows.
<b>Range Trade Accrual</b>	A Callable Range Accrual is so called because it is callable or cancellable by the bank after the initial period, as above. However, where it differs, is that interest accrues only as long as Libor (London Interbank Offer Rate, or another independently derived and published benchmark rate) stays within a pre-agreed range. The lender can choose the range, the non-call period, the Libor they wish to use, the call periods and the potential return they wish to receive.. The bank has the right to cancel this trade after the first 3 months, and every 3 months thereafter. With a range trade, the lender is backing his judgement on interest rate movements and in exchange for that can achieve a significantly enhanced return. This is done as part of portfolio management. The risk of rates going above Libor on a small part of the portfolio (and therefore none, or little payment on a range accrual) will be offset by the fact that the rest of the portfolio will be returning more than expected. The key risk to a callable range accrual is obviously that the contractual Libor rate goes outside the specified range. It is possible to mitigate this risk by analysing the historical behaviour of any specified Libor

	relative to base rate. By taking a view on expected base rate (which is done on all deposits), a lender can minimise exposure, and choose a range to match his risk appetite.
<b>Risk</b>	<p><u>Counterparty Credit Risk</u> The risk that a counterparty defaults on its obligations.</p> <p><u>Inflation Risk</u> The risk that growth in the Authority's investment income does not keep pace with the effects of inflation on its expenditure.</p> <p><u>Interest Rate Risk</u> The risk that changes in rates of interest creates an unexpected or unbudgeted burden on the Council's finances.</p> <p><u>Liquidity Risk</u> The risk that cash will not be available when it is needed.</p> <p><u>Operational Risk</u> The risk of loss through fraud, error, corruption, system failure or other eventualities in Treasury Management dealings, and failure to maintain effective contingency management arrangements.</p> <p><u>Refinancing Risk</u> The risk that the Authority is unable to replace its maturing funding arrangements on appropriate terms.</p>
<b>Set Aside Capital Receipts</b>	A proportion of money received by the Council for the sale of fixed assets must be set aside to repay debt.
<b>SORP</b>	Statement of Recommended Practice, published by CIPFA (Local Authority Accounting Body). This sets out guidelines regarding the Council's financial matters.
<b>Specified/Non Specified investments</b>	Specified investments are sterling denominated investments for less than 364 days in line with statutory investment regulations. Non- specified investments are all other investments identified in line with statutory investment regulations.

<b>Supranational Bonds</b>	These are bonds issued by institutions such as the European Investment Bank and World Bank. As with Government bonds (Gilts) they are regarded as the safest bond investments with a high credit rating.
<b>Temporary Borrowing and Investment</b>	Loans which are capable of being repaid within one year. The term of the loans will be negotiated from overnight to 364 days.
<b>Treasury Management</b>	<p>Treasury Management has the same definition as in CIPFA's code of Practice of Treasury Management in the Public Services.</p> <p>"The management of the organisation's cash flows its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."</p>
<b>Yield Curve</b>	The line resulting from portraying interest rate graphically for a series of periods, e.g. 7days, 1month, 3, 6, 9, and 12months. When longer-term interest rates are higher than short-term rates the yield curve slopes upwards and is described as positive. When the opposite prevails the yield curve is referred to as inverse.

**Portfolio of Outstanding Investments as at 31 March 2016**

	£
Bank of Scotland	12,479,227
Coventry City Council	5,000,000
Goldman Sachs International Bank UK	2,000,000
Nationwide Building Society	10,000,000
Thurrock Council	1,750,000
Santander	15,000,000
United Bank Of Switzerland (UBS) UK	3,000,000
<b>Total</b>	<b>49,229,227</b>

## Report of the Section 151 Officer

Council – 22 September 2016

### ANNUAL GOVERNANCE STATEMENT 2015/16

<b>Purpose:</b>	To report the annual review of governance arrangements for 2015/16 for approval.
<b>Policy Framework:</b>	None.
<b>Reason for Decision:</b>	To comply with the Accounts and Audit (Wales) Regulations 2014
<b>Consultation:</b>	Executive Board, Legal, Finance, Access to Services
<b>Recommendation:</b>	It is recommended that the Annual Governance Statement 2015/16 is approved
<b>Report Author:</b>	Paul Beynon
<b>Finance Officer:</b>	Paul Beynon
<b>Legal Officer:</b>	Sandie Richards
<b>Access to Services Officer</b>	Sherill Hopkins

#### 1. Introduction

- 1.1 The Council adopted a Code of Corporate Governance in June 2008 which is based on the 6 principles established in the CIPFA / SOLACE Framework 'Delivering Good Governance in Local Government'
- 1.2 Under the Accounts and Audit (Wales) Regulations 2014, the Council is required to review, at least once a year, the effectiveness of its internal control systems and the findings must be considered by the Council as a whole or by a committee. The Council or committee must approve a 'Statement on Internal Control' prepared in accordance with proper practices.
- 1.3 The Regulations accept that the Annual Governance Statement represents proper practice in relation to the provision of a statement on internal control. Therefore this report presents the Annual Governance Statement to Council for approval.

#### 2. Annual Governance Statement 2015/16

- 2.1 The Annual Governance Statement 2015/16 is attached in Appendix 1. The Statement has been prepared by the Chief Auditor and has been subject to consultation with the Executive Board, Audit Committee and Wales Audit Office as our external auditors.

2.2 Following approval by Council, the Annual Governance Statement will be signed by the Leader and Chief Executive and be published to accompany the Annual Statement of Accounts 2015/16.

**3. Equality and Engagement Implications**

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

**4. Legal Implications**

4.1 Production of the Annual Governance Statement is required under the Accounts and Audit (Wales) Regulations 2014 and supports the annual Statement of Accounts.

**5. Financial Implications**

5.1 There are no financial implications associated with this report

**Background Papers:** None

**Appendices:** Appendix 1 – Annual Governance Statement 2015/16

## ANNUAL GOVERNANCE STATEMENT 2015/16

### 1. Scope of Responsibility

- 1.1 The City and County of Swansea is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the City and County of Swansea is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 The City and County of Swansea has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government*'. A copy of the Code can be obtained by contacting the Chief Auditor on 01792 636463 or e-mailing [paul.beynon2@swansea.gov.uk](mailto:paul.beynon2@swansea.gov.uk). This statement explains how the Authority has complied with the Code and also meets the requirements of the Accounts and Audit (Wales) Regulations 2014 to review the effectiveness of its internal control systems at least once a year.

### 2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes, culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place at the City and County of Swansea throughout the year ended 31 March 2016 and up to the date of approval of the Statement of Accounts

### 3. The Governance Framework

3.1 The CIPFA/SOLACE governance framework identifies the following 6 fundamental principles of corporate governance

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
- Members and officers working together to achieve a common purpose with clearly defined functions and roles
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capability of members and officers to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability

3.2 Council approved its Code of Corporate Governance on 19 June 2008 based on the 6 principles outlined above.

3.3 The key elements of the policies, systems and procedures that comprise the governance framework in the Council are shown below and linked to the 6 fundamental principles

#### 3.4 **Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area**

- The **Council** is made up of 72 councillors who are democratically accountable to residents and have an overriding duty to the whole community. Council decides overall policies and sets the annual budget as well as receiving reports from Scrutiny, Cabinet Members and Officers.
- The Council is required, under the Local Government (Wales) Measure 2011, to put in place a system to publish individual **Councillors Annual Reports** in relation to their activities. A template report has been agreed by the Democratic Services Committee and all reports submitted by Councillors are published on the Council's website.
- A forward looking **Corporate Plan** is produced under the Local Government (Wales) Measure 2009 and the 'Wellbeing Objectives' under the Wellbeing of Future Generations (Wales) Act 2015. The Corporate Plan sets out the Council's vision, priorities, values, principles and delivery. For each priority the Corporate Plan identifies
  - Why it is a priority?
  - What needs improving?
  - What the Council is going to do?
  - What outcomes the Council is seeking to achieve?
- The Wales Audit Office completes an annual **Corporate Plan Audit** to ensure that the Plan has been produced in accordance with the Local Government (Wales) Measure 2009. A **Certificate of Compliance** is issued if the Wales Audit Office believes that the Council has discharged its duties under the Measure.



- An **Annual Performance Review** is undertaken by the Council which provides a review of the progress made in meeting the priorities, actions and targets as set out in the Corporate Plan. The review is reported to Council.
- The Wales Audit Office undertakes a **Corporate Assessment** of the Council on a 4 yearly basis as well as an annual programme of improvement studies and an audit of the Council's approach to improvement planning and reporting.
- The Council publishes a **Single Integrated Plan** which is developed by the Local Service Board following a needs assessment to provide the evidence base for the Plan, a review of relevant consultation and an Integrated Impact Assessment undertaken by an expert panel.
- A **Code of Corporate Governance** based on the CIPFA/SOLACE governance framework was adopted by the Council in June 2008. However the Code has not been reviewed since then and is now considerably out of date.
- Each Head of Service must complete a **Service Plan** which sets out the key priorities and objectives of the service and how they will be delivered and measured. The Service Plan also identifies the contribution that the service makes to the priorities and objectives of the Directorate and the whole Council. A Toolkit and Supplementary Guidance exists to assist in the production of the Service Plan.
- A **Medium Term Financial Plan** is approved by Council each year which details the major funding assumptions for the period and proposes a strategy to maintain a balanced budget.

### 3.5 **Members and officers working together to achieve a common purpose with clearly defined functions and roles**

- A **Council Constitution** exists which sets out the framework and rules governing the Council's business described in 16 Articles. The Constitution also includes a Scheme of Delegation and a number of Rules of Procedure, Codes and Protocols as well as the Councillors' Allowances Scheme.
- In response to the recommendations of the Peer Review in September 2014, an updated **Scheme of Delegation** was approved by Council on 27/08/15. The updated scheme is intended to speed up decision making within the Council by delegating authority to individual Cabinet Members, formally recognising the role of Executive Support Members and providing clearer guidance in relation to limitations on delegation.
- A **Constitution Working Group** exists to review all aspects of the Council Constitution and to make appropriate recommendations for change. The Group also administers the election of the Lord Mayor and Deputy Lord Mayor as outlined in the Council Constitution.
- Separate **Codes of Conduct** exist in the Council Constitution for **Members and Officers** which describe the high standard of conduct expected of them. There is also a **Member/Officer Protocol** which guides the relationship between them to ensure the smooth running of the Council. A new Members Code of Conduct was adopted by Council on 19/05/16, the new Code reflects the Local Authorities (Model Code of Conduct) (Wales) Order 2016 issued by the Welsh Government.
- The **Chief Executive**, as Head of the Paid Service, leads the Council's officers and chairs the Corporate Management Team.
- A new **Senior Management Structure** was approved by Council on 07/04/16. The following key themes were identified in the approach to the re-structuring
  - The need to maintain stability given the imminent departures of key officers

- The need to ensure that the Sustainable Swansea Programme is delivered
- The need to make savings in management costs
- The need to retain the focus on delivering services and priorities

The new structure includes radical proposals for the delivery of Business Support as a result of the Central Services Commissioning Review. There are potential governance risks to the new Business Support model but there is a commitment that the transition will be managed effectively and any changes will have due regard to governance, corporate grip and control.

- The Head of Finance and Delivery was the Council's designated **S151 Officer** throughout 2015/16 and was responsible for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and for maintaining an effective system of internal financial control. The Senior Management Structure report approved by Council on 07/04/16 placed the S151 Officer responsibility with the Corporate Director (Resources)
- The Council's financial management arrangements during 2015/16 complied with the governance requirements of the **CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)** and will continue to do so under the new Senior Management structure agreed by Council on 07/04/16.
- An **Audit Committee** exists to review and scrutinise the Council's financial affairs, review and assess the risk management, internal control and corporate governance arrangements, oversee the internal and external audit arrangements and review the financial statements. The Audit Committee Annual Report to Council identifies the assurance the Committee has gained over control, risk management and governance
- The Head of Legal and Democratic Services is designated as the Council's **Monitoring Officer** and is responsible for investigating and reporting on any allegations of contraventions to any laws, policies, procedures, regulations or maladministration and breaches of the Council's Constitution. Under the Senior Management Structure report approved by Council on 07/04/16, the Monitoring Officer function remains with the Head of Legal and Democratic Services pending the implementation of the Business Support Review.
- The Council is the Administering Authority for the **City and County of Swansea Pension Fund** and is responsible for all issues relating to the governance of the Pension Fund. This role is exercised by the **Pension Fund Committee**.
- A **Local Pension Board** exists in line with the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015. The role of the Board is to assist the Administering Authority in its role of scheme manager.

### **3.6 Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour**

- The Council has defined its **Values** as People Focused, Working Together and Innovation. A description of each value and what it means is available on the Council's website.
- The **Standards Committee** made up of 5 independent members, 3 City and County of Swansea Councillors and 1 Community/Town Councillor promotes and maintains high standards of conduct by Councillors, assists Councillors to observe their Code of Conduct, monitors the operation of the Code and deals with any reports from the Monitoring Officer. The Committee also undertakes roles for ethical audit purposes, including an overview of the Whistleblowing Policy and an overview of complaints handling and Public Services Ombudsman for Wales investigations

- The **Anti-Fraud and Corruption Policy** applies to all councillors and employees. It outlines the Council's commitment to preventing, discouraging, detecting and investigating fraud and corruption whether attempted on the Council or from within the Council. The Policy is available on the Council's internal and external websites. Fraud pages have been published on the websites which defines fraud and outlines how to report suspicions of fraud by telephone, e-mail and via an online form.
- A **Corporate Complaints Policy** based on the Welsh Government Model for complaints handling is in place and can be accessed through the Council's website. The policy governs the investigation of complaints from members of the public including complaints about service provision. A Corporate Complaints Annual Report is presented to Cabinet each year.
- A **Whistle Blowing Policy** exists which encourages and enables employees to raise serious concerns without fear of harassment or victimisation. The Policy is available to all staff in the online Employee Handbook.
- The **Internal Audit Section** operates in accordance with the Public Sector Internal Audit Standards and is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. A Corporate Fraud Team was established with effect from 01/06/15 for an initial 2 year period. The Team is responsible for investigating all suspected cases of fraud, corruption and bribery across the Council and promoting a zero tolerance approach to fraud.
- **Information Management** is a key part of service delivery and a great deal of work has been accomplished to strengthen and improve the security of the Council's systems that hold data. The Council recognises that there are risks associated with staff accessing and handling data so online training is available together with key policies and a strategy that have helped embed an information security culture. Any suspected or actual information security breaches are reported and managed via an established breach panel and key relationships have been developed with the Information Commissioners Office to ensure the Council operates in accordance with the Data Protection Act. Corporate Management Team receives 6 monthly reports highlighting key success factors. Each Directorate has an Information Management representative who meet bi-monthly and have helped with communication, awareness and new ways of working.
- The success of implementing **Information Management** relies on having effective **Governance** arrangements in place and having a clear understanding and acceptance of responsibilities. A Senior Information Risk Officer (SIRO) is in place to provide board-level accountability and assurance. The SIRO chairs an Information Management and Technology Board that provide direction on all aspects of information and risk ensuring compliance with regulatory, statutory and organisational policies and standards.
- Information is used throughout the Council to help provide better and more efficient services to the public. The **Sharing of Information** is key to the Council's goal of delivering better, more efficient public services that are coordinated around the needs of the individual. It is essential to enable early intervention and preventative work, for safeguarding and promoting welfare and for wider public protection. As areas move towards partnership working and integrated services, professional and confident sharing of information is becoming more important to delivering the benefits of the new arrangements.

### 3.7 Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

- The **Decision Making** process is clearly set out in the Constitution along with the scheme of delegation and the terms of reference of Cabinet, Committees, Scrutiny Boards, Panels, Forums and Groups.
- The **Cabinet** (as Executive) is responsible for most day to day decisions and acts in line with the Council's overall policies and budget.
- A **Challenge Panel** consisting of 12 members consider any Cabinet decisions which have been 'called in' if the Presiding Member of the Council accepts that the call in is valid. The criteria used by the Presiding Member to decide on validity are tightly set and the Presiding Member receives appropriate advice from officers. The Challenge Panel will consider whether the decision is a well-founded and appropriate decision of Cabinet.
- All reports to Council and Cabinet must include paragraphs detailing the **Financial, Legal and Equality and Engagement Implications** of the report.
- The **Scrutiny Programme Committee** is responsible for developing the Council's Scrutiny Work Programme via a single workplan, holding Cabinet Members to account and providing challenge on specific themes. The Committee will set up informal **Scrutiny Panels and Working Groups** to undertake the detailed work of scrutiny and will appoint **Scrutiny Conveners** to chair the various Scrutiny Panels.
- The role of Scrutiny is to improve the performance of services, to provide an effective challenge to the Executive and to engage non-executive members in the development of policies, strategies and plans. A **Scrutiny Work Planning Conference** is held each year to choose topics for review.
- Quarterly **Scrutiny Dispatches** impact reports are presented to Council as well as a **Scrutiny Annual Report**. The Annual Report is used to highlight the work carried out by scrutiny, show how scrutiny has made a difference and support continuous improvement for the scrutiny function.
- A **Corporate Risk Policy** is in place which describes how risk management is implemented in the Council to support the realisation of strategic objectives. A **Risk Management Framework** also exists which aims to help managers and members at all levels to apply risk management principles consistently across their areas of responsibility.
- Corporate, Directorate and Service **Risk Registers** are in place to capture and monitor risks that could affect the Council's business. Risk Management is subject to regular review by the Audit Committee.

### 3.8 Develop the capacity and capability of members and officers to be effective

- A series of **Mandatory Staff e-Learning Courses** has been developed for all new employees covering corporate induction, safeguarding, fire safety, health and safety, display screen equipment and equalities. A wide range of training is also available to staff via the Learning Pool and directly delivered courses.
- A review of the **Councillors Training Programme 2014/15** was presented to the Democratic Services Committee where it was resolved that a new Training Needs Assessment be circulated to Councillors. The Assessment was reported back to the Democratic Services Committee where it was resolved that for 2016/17, 14 courses would be deemed to be mandatory with regular reports on attendance being passed to Political Group Leaders/Political Whips to encourage increased

attendance. It was also resolved that the increased use of e-Learning for Councillors Training be developed.

- Regular **Cabinet and Corporate Management Team Away Days** are held where thematic issues are discussed such as Sustainable Swansea – fit for the future, One Swansea Plan, Commissioning Reviews, budget and poverty and prevention.
- An **Employee Performance Management Policy** exists and is available to all staff in the online Employee Handbook. The policy establishes a process which contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance. Evidence from the Staff Survey 2015 indicated that the completion of annual appraisals by managers was sporadic across the Council. The Executive Board requested an audit of appraisals in January 2016 which supported the findings of the staff survey. A further audit will be undertaken in January 2017.
- Monthly **One to One meetings** are held involving the Leader, Cabinet Members, Chief Executive, Corporate Directors, Chief Officers, Heads of Service and 3<sup>rd</sup> tier staff as part of the performance management process.
- Each Corporate Director holds a monthly **Performance and Financial Monitoring** meeting where Chief Officers and Heads of Service report on progress in terms of continuous improvement and budgets. A meeting template exists covering budget, performance, workforce, customers and risk issues.
- The Council Constitution includes detailed **Financial Procedure Rules** which govern the financial management of the Council.
- Financial Procedure Rules are supplemented by detailed **Accounting Instructions** which aid sound financial administration by setting out the principal controls and procedures to be followed by all departments for a range of functions. From time to time the Accounting Instructions are reviewed and ad hoc instructions may also be issued such as the current spending restrictions. The Accounting Instructions have not been reviewed for some time and need to be updated to reflect changes in systems and procedures in particular the increasing use of digital solutions.
- The Council Constitution includes **Contract Procedure Rules** which govern the purchasing of goods and services and the letting of contracts with the aim of obtaining the best use of resources and value for money.

### 3.9 Engaging with local people and other stakeholders to ensure robust public accountability

- A **Consultation and Engagement Strategy** exists to ensure effective consultation and engagement with residents and partner organisations.
- A series of **Residents Telephone Surveys** of 200 residents take place every 2 months and cover topics such as the Council's reputation and performance in key areas. Consultation also takes place on the annual budget and *Sustainable Swansea – Fit for the Future* as well as service specific consultation run directly by services. The Council will also be carrying out consultation on the Commissioning Reviews being undertaken across services to engage staff, service users and other stakeholders. There is also a ward representative role for each councillor.
- The **Swansea Leader** newspaper is published every 2 months and delivered to every household in the area informing people about the Council's work and the progress it is making. An electronic version of the Swansea Leader is available on the Council's website.

- A wealth of **Information for Stakeholders** is available on the Council website including agendas, which are published in advance of meetings and minutes of all Council, Cabinet, Committee and Scrutiny Board meetings. Members of the public can attend meetings of the Council, Cabinet, Committees and Scrutiny Boards except where confidential or exempt information is likely to be disclosed and the meeting is therefore held in private. The Council website was re-launched in 2014/15 with the aim of being task orientated, easier to navigate and more concise. Following the re-launch of the website, it received a 3 star rating from Socitm up from the previous 2 star rating.
- Members of the public also have the right to ask questions and time is set aside at each Council and Cabinet meeting for **Public Questions**.
- **Financial Monitoring Reports** which monitor the revenue and capital budgets are produced on a quarterly basis and reported to Cabinet.
- **Performance Monitoring Reports** are produced for Cabinet on a quarterly basis and an **Annual Performance Monitoring Report** is also presented which allows performance to be reviewed and to inform executive decisions on resource allocation. The annual report also identifies any corrective action required to manage and improve performance and efficiency in delivering national and local priorities.

3.10 The Council's Annual Statement of Accounts identify that the Council has an interest in the companies shown below. The Annual General Meeting of the Council appoints councillors to sit on the Boards of the companies. The number of councillors appointed is shown against each company

- Swansea City Waste Disposal Co. Ltd (1 councillor)
- Wales National Pool Swansea Ltd (3 councillors)
- National Waterfront Museum Swansea Ltd (3 councillors)
- Swansea Stadium Management Co. Ltd (2 councillors)
- Bay Leisure Ltd (2 councillors)

3.11 A number of methods are in place to monitor the activities and performance of the companies including councillor/officer steering groups, strategic and operational meetings and management groups.

3.12 A Business and Partnership Unit exists in Cultural Services to monitor the activities of externally funded partner providers and an Annual Report on Leisure Partnerships is presented to Council each year.

#### **4. Review of Effectiveness**

4.1 The City and County of Swansea has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Chief Auditor's annual report and also by comments made by the external auditors and other review agencies and inspectorates.

4.2 The processes for maintaining and reviewing the effectiveness of the governance framework within the Council include the following broad headings.

### 4.3 Internal Control Self-Assessment

- Each Head of Service has provided a signed **Senior Management Assurance Statement** for 2015/16 which provides assurance over the internal control, risk management and governance framework for their area of responsibility.
- The **Senior Management Assurance Statement** contains 10 questions covering governance issues and requires a 'Yes', 'No' or 'Partly' answer. Most answers provided by Heads of Service were 'Yes' with a small number of 'Partly', there were no 'No' assurance answers. The main areas where 'Partly' answers were given related to concerns over the risks and impact on the control environment resulting from savings proposals and the risks, control and governance relating to partnerships. However, in each case assurance was provided that sufficient monitoring was in place so as not to pose a risk to governance.

### 4.4 Internal Sources of Assurance

The following provide assurance based on reports covering 2014/15 as the reports for 2015/16 are not yet available. The 2015/16 reports will be reflected in the next Annual Governance Statement.

- The **Annual Performance Review 2014/15** was approved by Cabinet on 15/10/15 in accordance with the publishing requirements of the Local Government (Wales) Measure 2009. The report showed the results of each performance measure for the 9 Improvement Objectives set out in the '*Standing up for a Better Swansea*' Corporate Improvement Plan 2013/17. The results showed that the Council was 'fully successful' in achieving the performance measures for one of the Improvement Objectives and 'mainly successful' in the other 8 Improvement Objectives.
- The **Corporate Complaints Policy** was in place throughout 2015/16 and the **Corporate Complaints Annual Report 2014/15** was presented to Cabinet on 15/10/15. The Annual Report identified a 4.5% increase in the number of complaints and requests for service in the year. The report also highlighted a number of service improvements which had been introduced as a result of compliant investigations.

The following provides assurance based on reports covering 2015/16

- The **Corporate Plan 2016-17** '*Delivering for Swansea 2016/17*' produced in accordance with the Local Government (Wales) Measure 2009 and the 'Wellbeing Objectives' under the Wellbeing of Future Generations (Wales) Act 2015 was approved by Cabinet on 17/03/16. The Plan describes the Council's vision for Swansea, the 5 key Council priorities and the organisation values and principles that will underpin the delivery of the priorities and the overall strategy. The Corporate Plan on a Page has also been published to assist stakeholders understanding.
- The One Swansea Plan and Delivery Framework 2015 '*Place, People, Challenges and Change*' were endorsed by the Local Service Board on 15/09/15 as the **Single Integrated Plan**. The purpose of the Plan is to improve the wellbeing of people in Swansea by ensuring that professionals and the public work together. The Plan is developed by the Local Service Board which includes the main public service agencies for the area and representatives of the voluntary

and business sector. The Plan identified Domestic Abuse (with a focus on safeguarding) and Older People's Independence as the priorities for 2015/16.

- The adoption of the **Council Constitution** was reaffirmed at the Annual Meeting of the Council on 19/05/15. Various reports have been approved by Council throughout 2015/16 making changes to the Constitution.
- The **Standards Committee** met on 7 occasions during 2015/16 and the **Standards Committee Annual Report 2015/16** was presented to Council on 28/07/16. The report described the work of the Committee during 2015/16 including the merger with the Community/Town Councils Standards Committee, the annual discussions with Political Group Leaders, Committee Chairs and the Chief Executive, developing a protocol to follow when attending other Council Body Meetings as Observers and a proposed review of the dispensation regime in 2016.
- The **Audit Committee** met on 9 occasions during 2015/16 and followed a structured workplan which covered all areas of the Committee's responsibilities with the aim of obtaining assurance over the areas included in its terms of reference. The Committee includes a lay member as required by the Local Government (Wales) Measure 2011. The lay member is also the Chair of the Committee.
- The **Audit Committee Annual Report 2015/16** was approved by the Audit Committee on 28/06/16 and will be presented to Council on 22/09/16. The report outlined the assurance the Committee had received over control, risk management and governance from various sources over the course of 2015/16.
- The **Internal Audit Annual Report 2015/16** was reported to the Audit Committee on 30/08/16 and included the Chief Auditor's opinion that based on the audit reviews undertaken in 2015/16, Internal Audit can give reasonable assurance that the systems of internal control were operating adequately and effectively and that no significant weaknesses were identified.
- The **Scrutiny Programme Committee** met on 14 occasions in 2015/16 and had overall responsibility for the scrutiny function.
- The **Scrutiny Annual Report 2015/16** was presented to Council on 28/07/16. The report highlighted the work carried out by Scrutiny, showed how Scrutiny had made a difference and supported continuous improvement for the Scrutiny function. The report also showed the progress made in achieving the 5 improvement outcomes identified in the previous year's Annual Report. The report showed that Scrutiny continued to improve and to make a difference with the flexible approach attracting interest from other councils.
- The annual **Scrutiny Work Planning Conference 2015/16** was held on 08/06/15 and a report on the **Scrutiny Work Programme 2015/16** was agreed by the Scrutiny Programme Committee on 13/07/15.
- The **End of Year Performance Monitoring Report 2015/16** was approved by Cabinet on 21/07/16 which presented the detailed performance results for 2015/16. The report showed that 51 (59%) Performance Indicators had met the target set for the year and 41 (68%) of comparable Indicators showed improvement compared to 2014/15. The results of the review are used to inform executive decisions on resource allocation and to take corrective action to manage and improve performance and efficiency in delivering national and local priorities.
- The **Constitution Working Group** met on a number of occasions during 2015/16 to discuss amendments to the Constitution including a review of filming, recording and photography at Council meetings, the Model Council Constitution and Council Procedure Rule 26 – Public Presentations and Question Time. The Group also



met to agree the nomination of the prospective Lord Mayor and Deputy Lord Mayor.

- The **Medium Term Financial Plan 2017/18 – 2019/20** was approved by Council on 25/02/16. The Plan outlined the significant shortfall in funding faced by the Council over the period and the strategy to be adopted to address the shortfall as well as the inherent risks to the success of the adopted strategy.
- The **Corporate Risk Management Policy and Framework** operated throughout 2015/16 and the Head of Finance and Delivery presented update reports on Risk Management to the Audit Committee on 15/12/15 and 16/02/16.
- Each Corporate Director held monthly **Performance and Financial Monitoring** meetings where Chief Officers and Heads of Service reported on progress in terms of continuous improvement and budgets.
- Quarterly **Performance Monitoring Reports** were presented to Cabinet during 2015/16 which provided detailed performance tables and identified the Council's performance outturn for the indicators which had been selected for their suitability to measure performance against the Council's 5 key priorities.
- Improvements are being made to the Council's performance and monitoring arrangements by the introduction of the **Balanced Scorecard** as the new performance improvement framework. The Balanced Scorecard will also be a strategic delivery system to translate the Council's vision and strategy into tangible objectives and measures. It will operate at all levels within the organisation to deliver the Council's '*Corporate Strategy on a Page*'. The development of the corporate strategy using the Balanced Scorecard and the Data Action and Risk Tool (DART) will continue during 2016/17.
- Quarterly **Financial Monitoring Reports** were presented to Cabinet throughout 2015/16. The reports identified a potential revenue budget overspend at year end based on available information and stressed the need for expenditure to be contained within the budget set by Council. The reports identified an urgent need for significant additional budget savings across all Council service.
- A **Mid Term Budget Statement 2015/16** was presented to Cabinet on 15/10/15 which provided a strategic and focussed assessment of the current year's financial performance and an update on strategic planning assumptions over the next 3 financial years. The conclusion of the Statement was that the Council would struggle to deliver within the overall resources identified to support the budget in 2015/16. The likely projected outturn was dependent upon the willingness and ability of the Council to reduce and restrict ongoing expenditure across all areas. The Statement also identified the need for the Council to significantly accelerate its efforts in terms of scale and pace in the implementation of the *Sustainable Swansea* delivery programme in 2016/17 and beyond.
- All reports presented to Cabinet and Council during 2015/16 had been reviewed by Finance, Legal and Access to Services staff and included the appropriate paragraphs detailing the **Financial, Legal and Equality and Engagement Implications** of the report.
- The **Pension Fund Committee** met on 4 occasions during 2015/16 and dealt with all issues relating to the governance of the Pension Fund.
- The Council's outsourced **ICT Contract** with Capgemini successfully transferred back to an in-house managed service during 2015/16. Project methodology was used to deliver the scope and objectives of the transfer including a strong governance model to closely monitor the deliverables. All risks were managed and controlled during the project which delivered a number of benefits including annual ICT cost savings of £1.5m. The End of Project report was presented to Cabinet on 21/01/16,

## 4.5 External Sources of Assurance

- The Wales Audit Office undertook a **Corporate Assessment** of the Council in November 2014. The assessment sought to answer the *question 'is the Council capable of delivering its priorities and improved outcome for citizens?'* The **Annual Improvement Report 2014/15** which incorporated the Corporate Assessment report was presented to Council on 23/07/15 and concluded that *'the Council can demonstrate improvement across a range of key services and has developed a clear framework for managing future challenges'*. The report made the following proposals for improvement which will be addressed by the Council.
  - Implement planned changes to the reporting arrangements for the key corporate priorities and identify a smaller number of outcomes intended to ensure delivery of the Council's new priorities.
  - Ensure records of delegated decisions made by officers are accurately recorded.
  - Increase the pace of implementation of improvements to performance reporting arrangements to provide a balanced range of readily accessible information that assists decision making.
  - Ensure service business plans consistently incorporate workforce and asset management requirements as expected in corporate guidance.
- The Wales Audit Office is undertaking a **Corporate Assessment follow up** exercise to review progress against the proposals for improvement. The exercise is due to be completed by June 2016.
- The Council invited the WLGA to facilitate a **Peer Review** in September 2014. The Peer Review had 3 key areas of focus i.e. Delivery, Change and Governance which were felt to be critical to organisational development and delivery in challenging times. The Peer Review identified both areas of strength and areas for improvement and made 20 recommendations in its report. The Council prepared an action plan to address the recommendations which was approved by Cabinet on 14/04/15. The Director of Corporate Services provided a **Peer Review Progress Update** to the Audit Committee on 19/04/16 which, for each of the 3 key areas of focus, identified what had been achieved and what was still to do. It was recognised that substantial progress had been made although there was still work to do and that going forward it was important to evaluate the impact of the actions taken.
- One of the results of the Corporate Assessment and Peer Review was that the Head of Legal and Democratic Services was tasked with undertaking a review of the Council's governance arrangements. To provide external assurance, the WLGA were asked to complete a **Corporate Governance Review**. The final report will be presented to the Audit Committee on 28/06/16 with the overall conclusion that there were no significant flaws in the governance arrangements but there were improvements that could be made. The findings from the WLGA report have been added to the Peer Review/Corporate Assessment Action Plan and will be addressed during 2016/17.
- The Appointed Auditor's **Annual Audit Letter 2014/15** was issued on 17/11/15 and presented to the Audit Committee on 15/12/15. The letter stated that *'The Authority complied with its responsibilities relating to financial reporting and use of resources'*. The letter also stated that an unqualified audit opinion had been issued on the accounting statements confirming that they present a true and fair view of the Authority's and the Pension Fund's financial position and transactions. The letter also stated that *'The Auditor General for Wales is satisfied that the*

*Authority has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources’.*

- The Auditor General for Wales **Report of Deficiencies in Internal Controls 2014/15** was presented to the Audit Committee on 17/11/15. The report stated that *‘No significant deficiencies in internal control have been identified, however recommendations have been raised for the Authority in order to further improve its control environment’* and *‘The Authority has made progress in enhancing its control environment and implementing recommendations raised last year’*. A total of 10 new recommendations were made regarding deficiencies identified in the report and a further 8 recommendations in respect on 2013/14 had not been fully implemented.
- PwC on behalf of the Auditor General for Wales presented the **Audit of Financial Statements Report 2014/15** to Cabinet on 17/09/15. The report highlighted any significant issues to those charged with governance that needed to be considered prior to the approval of the financial statements. The report concluded that provided PwC were able to satisfactorily complete the outstanding work then it was the intention to issue an unqualified audit report on the financial statements. At the request of the Chair, the Audit of Financial Statements Report 2014/15 was reported to a special meeting of the Audit Committee on 21/09/15.
- The Wales Audit Office has issued a **Certificate of Compliance** following its audit of the Corporate Plan 2016/17
- The Council is subject to **Statutory External Inspections** by various bodies including Wales Audit Office, ESTYN and CSSIW. ESTYN inspected 16 educational establishments during 2015/16 with inspection reports being provided to the Governing Body in each case. Work continued in 2015/16 to implement the 5 recommendations arising from ESTYN’s Education Services for Children and Young People Inspection Report 2013/14. Progress reports were made to Cabinet throughout the year with the most recent report on 17/03/16 reporting that 1 recommendation had a Red status (remains a concern), 1 had an Amber status (limited progress) and 3 had a Yellow status (good progress). The CSSIW Performance Evaluation Report 2014/15 for Swansea was presented to Council on 17/12/15. The report was very positive about Child and Family Services and recognised the efforts made in the last few years are now delivering benefits in terms of quality of care and cost of services. The report was also positive about Adult Services and highlighted that the need to provide preventative and well-being services is an enormous challenge.

4.6 The Annual General Meeting of the Council held on 19/05/15 appointed the required number of Councillors to sit on the Boards of the companies included in the Council’s Statement of Accounts. A change was made to the representatives on the National Waterfront Museum Swansea Board at Council on 25/06/15 and to the representatives on Bay Leisure Ltd Board at Council on 28/04/16.

4.7 The Leisure Partnerships Annual Report 2014/15 was presented to Council on 28/04/16 which was considerably after the end of 2014/15. The report reviewed the performance of the Wales National Pool Swansea, National Waterfront Museum Swansea, Liberty Stadium and the LC in detail and provided information on the monitoring arrangements in place.

4.8 For the first time, the Leisure Partnerships Annual Report 2014/15 included details of the following partnerships where there is no Council representation on the Board and the Council’s financial contribution is nil or limited.

- 360 Beach and Watersports Centre
- Swansea Indoor Bowls Centre
- Swansea Tennis 365

- 4.9 The review of the governance arrangements which operated for 2015/16 in the City and County of Swansea has shown that in general they provide a sound system and there are no suggestions that major issues exist. This view was supported by the Peer Review, Corporate Assessment and the recent WLGA Corporate Governance Review
- 4.10 The evidence gathered as part of the governance review for 2015/16 i.e. the Internal Control Self-Assessment and the review of internal and external sources of assurance supports the view that the governance arrangements continue to be fit for purpose although a small number of issues were identified where improvements can be made which are highlighted in Section 5 below.
- 4.11 We have been advised on the implications of the result of the review of the effectiveness of the governance framework and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

## 5 Significant Governance Issues

- 5.1 The following table shows the significant governance issues which were identified during the review of effectiveness undertaken when preparing the Annual Governance Statement 2014/15 and the action taken during the year to address the issues

Issue	Proposed Action	Action Taken
<p><b>WLGA Peer Review Governance Issues – Corporate Governance Review</b></p> <p>1. Formal briefing of Cabinet members with emphasis on proactively engaging them in decisions rather than briefing them too late in the decision making process.</p> <p>2. Clarify the role of Cabinet Advisory Committees in the Constitution.</p>	<p>The Head of Legal and Democratic Services is to undertake a ‘whole system’ review of how we make decisions, to include</p> <ul style="list-style-type: none"> <li>• Member decision making, including Cabinet Member delegation, briefings, role of CACs and impact of scrutiny</li> <li>• Officer decision making, including the requirement to consult</li> <li>• Legal, EIA, audit, HR etc.</li> </ul>	<p>The comments below are taken from WLGA’s final Governance Review report</p> <p>1. Regular formalised meetings now take place but more work is required on the early engagement of Cabinet Members in decision making. It was considered that this recommendation was <b>partly met</b>.</p> <p>2. A report to Council on 27/08/15 established a clear structure and reporting lines for Cabinet Advisory Committees. The report included Terms of</p>

<p>3. Ensure that scrutiny is closely orientated towards the Council's top priorities.</p> <p>4. Consider reducing the time that Cabinet has to respond to scrutiny recommendations</p>	<p>considerations</p> <ul style="list-style-type: none"> <li>• Programme management, including boards</li> </ul> <p>The review is focussed on the options available to allow the Council to move to a more agile, business like and quicker approach to governance both at Member and Officer level.</p> <p>There are many aspects of the processes that reinforce an old, risk averse approach. A set of principles need to be agreed that underpin future decision making processes</p> <p>This review will pick up a wide range of specific actions, as well as current actions to clarify roles and responsibilities. Further work is likely to pick up wider aspects of corporate governance.</p>	<p>Reference for the Committees which have been included in the Constitution. This recommendation was felt to be <b>largely met.</b></p> <p>3. One of the improvement outcomes for 2015/16 in the Scrutiny Annual Report 2014/15 was the need to align the work of scrutiny more closely with the Council's 5 Corporate Priorities. As a result, the Scrutiny Work Programme demonstrates a closer orientation to Council Priorities therefore it was felt that this recommendation was <b>largely met.</b></p> <p>4. It was agreed at Council on 25/06/15 that the cabinet response time be reduced to 2 months. It was stated that this recommendation had been <b>fully met.</b></p>
<p><b>WLGA Peer Review Governance Issues – Local Service Board</b></p> <p>1. LSB could develop a small number of priorities which partners commit resources to and tackle on a task and finish or rolling basis.</p>	<p>'Reinvent' the Local Service Board or a 'city partnership' with:</p> <ul style="list-style-type: none"> <li>• A smaller number of delivery focused priorities</li> <li>• A more radical approach to joint working and pooling of staff and resources</li> <li>• Greater engagement of Members in local</li> </ul>	<p>1. In line with the requirements of the Well-being of Future Generations (Wales) Act 2015, the LSB has been replaced with the Swansea Public Service Board which first met in May 2016. The Act requires that a small number of Well-being Objectives are agreed and delivered by partners and this will be done following the</p>

<p>2. Communicate the role, purpose and activities of LSB to members looking to involve them in the work of the LSB including ward projects and local engagement or consultation.</p>	<p>projects</p> <p>The Single Swansea Plan (SSP) has agreed priorities but there is a need to refocus efforts on delivery. The SSP is currently being reviewed.</p> <p>The opportunities around community budgets are significant, but will be subject to a willingness by all partners to give up some sovereignty and to work differently to achieve better outcomes.</p>	<p>introduction of a Well-being Assessment in 2017. For 2016/17, the PSB has agreed to pursue a small number of issues as 'year one priorities'. These priorities, along with proposals for the workstreams that will deliver them, will be agreed at the PSB's July 2016 meeting.</p> <p>2. Information about PSB meetings and the work to deliver PSB priorities is communicated directly to all members by e-mail. Workstreams are open to members to participate in and a guide for members has been agreed by the PSB and will be published on the PSB website</p>
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- 5.2 The comments regarding the Corporate Governance Review action taken shown above is taken from the WLGA's final Governance Review report which was presented to the Audit Committee on 28/06/16. The report to the Audit Committee included a commitment from the Leader and Chief Executive to implement the recommendations included in the Governance Review including those necessary to fully implement the outstanding significant governance issues shown in the table above,
- 5.3 The following table identifies issues which have been raised during the review of effectiveness and the proposed action to be taken during 2016/17 to address the issues

<b>Issue</b>	<b>Proposed Action</b>
<p>1. The Council's Code of Corporate Governance should be updated to ensure compliance with the core and sub principles contained in the revised CIPFA/SOLACE Delivering Good Governance in Local Government Framework</p>	<p>The Code of Corporate Governance is to be reviewed in line with the CIPFA/SOLACE Guidance Notes for Welsh Authorities due to be published in September 2016.</p>
<p>2. There are potential governance issues as a result of the proposals for the new Business Support model across the Council arising from the Corporate Services Commissioning Review.</p>	<p>The transition to the new Business Support model will be carefully managed to ensure it is managed effectively and any changes will have due regard to governance, corporate grip and control.</p>
<p>3. A system should be developed to record relevant delegated decisions made by officers.</p>	<p>An appropriate system will be developed to record delegated officer decisions which could include the use of financial thresholds to ensure consistency across</p>

	<p>the Council and agreement between Cabinet Members and relevant officers on which delegated decisions should be recorded.</p> <p>The agreed system will be implemented by publishing relevant decisions on the Council website.</p>
<p>4. The process for producing the Annual Governance Statement should be reviewed to broaden the officer contribution to the process and to ensure that it is a live process throughout the year rather than a retrospective year-end process</p>	<p>A representative group from across the Council will be set up to meet regularly to review the Annual Governance Statement.</p> <p>The group will review the current Annual Governance Statement to identify where the format can be improved to promote a wider understanding and ownership of the Statement.</p>

5.4 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review

Signed ..... Chief Executive

Date .....

Signed..... Leader

Date .....

# Agenda Item 15.

## Report of the Cabinet Member for Transformation & Performance

Council – 22 September 2016

### SUSTAINABLE DEVELOPMENT REPORT 2015/16

<b>Purpose:</b>	To present the 2015/16 Sustainable Development Report.
<b>Policy Framework:</b>	Sustainable Development Policy.
<b>Reason for Decision:</b>	To present the Sustainable Development Report for approval prior to submission to Council and publication on the Council's website alongside the Annual Statement of Accounts.
<b>Consultation:</b>	Legal, Finance and Access to Services.
<b>Recommendation(s):</b>	It is recommended that:  1) Council approves the report content (for publication alongside the Annual Statement of Accounts).
<b>Report Author:</b>	Tanya Nash
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Tracey Meredith
<b>Access to Services Officer:</b>	Phil Couch

#### 1.0 Introduction

1.1 Reporting on sustainable development publicly demonstrates the Council's commitment to sustainability and helps embed the principle in practice across services. Sustainable development reporting results in considerable reputational benefits, improved performance, greater transparency and provides accountability for the Sustainable Development Policy.

1.2 This is the sixth and final year of sustainable development reporting. In 2011, Swansea was the first local authority to publish a report on carbon emissions and energy use within its Annual Statement of Accounts. In 2012, a sustainable development reporting methodology was developed with consultancy support from PwC to include indicators reflecting outcomes relating to social, economic and environmental wellbeing. This development has enabled the Council to mature sustainable development reporting to the point where Sustainable Development can



be effectively embedded within the corporate reporting framework in line with the Well-being of Future Generation Act (Wales) 2015.

## **2.0 The Rationale for Sustainable Development Reporting**

2.1 Reporting explicitly meets the requirement within the Local Government Measure 2009 which places a duty on local authorities to promote and improve on sustainable development performance. From April 2016, the Council has been subject to the Well-being of Future Generations (Wales) Act's duty to 'carry out sustainable development' and to report explicitly on how it contributes to well-being in line with the 'sustainable development principle'. This final year of independent reporting provides a transition to the full integration of sustainable development within the Council's corporate planning and reporting framework.

2.2 Reporting on Sustainable Development creates closer connections between policy and performance. The report is a means of providing public accountability for sustainable development and provides a tangible measure of the Sustainable Development Policy's effectiveness.

2.3 The process of sustainable development reporting engages services and helps them to have a better understanding of their impact in delivering sustainable development. Involving services in the collection and analysis of data focusing on sustainable development highlights and improves performance eventually influencing the outcomes achieved.

2.3 The publication of a Sustainable Development Report creates considerable reputational benefits demonstrating good governance and transparency. Sustainable development (and specifically work on reporting) was praised as an example of positive action within the 2015 Corporate Assessment Report and has been nationally recognised as good practice contributing to the Council's success winning awards for its approach to sustainable development.

2.4 The connection between the report and the Statement of Accounts demonstrates publicly the link between financial management and sustainable performance, impacting decision making. The Council can mitigate risk and identify opportunities based on information highlighted through the reporting process.

## **3.0 The Methodology**

3.1 In 2012, the Council was supported by PwC to develop a bespoke methodology based on the concept of integrated reporting using the principles of Accounting for Sustainability. The approach has been adhered to in 2016 for consistency and comparability. This 'connected reporting' approach is based on three steps:

- Identification of material sustainability issues and connection to business strategy

- Identification of Key Performance Indicators
  - Production of a Connected Performance Report
- 3.2 In order to assure the data, an audit trail has been created recording the source of data. A sample has been internally scrutinised and the robustness of information confirmed. Internal indicators have been certified by a compiling officer and agreed by a Head of Service.

#### **4.0 The Report Structure**

- 4.1 An introductory front page sets the context of the report and details the methodology developed. This is followed by a summary sheet in tabular form defining each of the Seven Priority Areas and the number of indicators in that section. The number of indicators varies reflecting the nature of the Priority Area and availability of relevant data. The main body of the report brings together performance, financial information and targets.
- 4.2 The arrow based assessment assigned to each indicator indicates direction of travel in the past year rather than the achievement of specific targets. Although it should be noted where targets have been set they are included as a means of embedding sustainable development into day to day operations and driving progress. An arrow summarising each Priority Area's status is alongside each heading.

#### **Drivers and Trends Impacting Future Reporting**

##### *5.3 The Well-being for Future Generations (Wales) Act 2015*

- a. The Well-being of Future Generations (Wales) Act 2015 in common with the Council's sustainable development policy aims to ensure sustainable development is a central organising principle. By extending this principle to 44 devolved public bodies, the Act is effectively changing the way that the Welsh public sector does business.
- b. The Act aims to ensure that the governance arrangements of public bodies in Wales take account of the needs of future generations while making decisions securing social, economic, cultural and environmental well-being. The Act requires that public bodies demonstrate they have considered or taken account of five governance approaches closely aligned to those underpinning "Sustainable Swansea - Fit for the Future"; integration, the long term, collaboration, prevention and involvement.
- c. The Act requires from April 2017, the Council will publish an annual statement setting out well-being objectives which contribute to the progress of seven well-being goals as part of the corporate planning and reporting framework. The extent to which objectives are achieved in line with the sustainable development principle and governance approaches will also be demonstrated. As a result, there will be no future need to publish a Sustainable Development Report.

- d. Opportunities to ensure that Swansea continues to lead in realising the benefits of sustainable development will however continue to be explored by the Sustainable Development Unit and appropriate support provided to services. As guidance from the Commissioner for Sustainable Futures and Welsh Government emerges, developments in areas such as carbon foot printing, foresighting, integrated reporting and widening involvement will continue to be investigated in terms of the potential benefits for Swansea.

## **7.0 Equality and Engagement Implications**

- 7.1 A Screening for EIA has identified relatively low impacts and minimum implications with regard to Equalities and Engagement. Appropriate measures in line with Council policies will be taken in terms of ensuring access to the document.

## **8.0 Financial Implications**

- 8.1 Online publication and translation costs are expected to be minimal and will be contained within the existing budget.

## **9.0 Legal Implications**

- 9.1 There are no specific legal implications at this stage. The existing and proposed legislative frameworks are referred to in the Report itself.

**Background Papers:** None.

**Appendices:** Appendix A – City and County of Swansea Sustainable Development Report 2015/16.

# **SUSTAINABLE DEVELOPMENT REPORT**

**2015/16**

**City and County of Swansea  
Dinas a Sir Abertawe**



**Sustainable Development Unit**

# City and County of Swansea Sustainable Development Report 2015/16

## Sustainable Development at Swansea

Since 2012, sustainable development has been the 'central organising principle' that increasingly underpins the planning and delivery of all Council services.

The 'sustainable development principle' takes a long term perspective, is evidence based, seeks to balance economic, social, cultural and environmental costs and benefits, while prioritising a collaborative, citizen centred, preventative, approach. This is defined within the Council's Sustainable Development Policy as

*'Development that meets the needs of the present without compromising the ability of future generations to meet their own needs'*

This principle guides the Council in working towards its vision of a 'safer, greener, smarter, fairer, healthier, richer Swansea'.

The Well-being of Future Generations Act (Wales) 2015 also embraces this approach legislating that 44 devolved public sector bodies work together to improve the well-being of Wales in accordance with the 'sustainable development' principle.

Swansea is recognised as both a Welsh and UK leader in sustainable development. In 2015, the Council won several accolades for outstanding performance building on work recognised as an example of positive practice within the 2015 Wales Audit Office Corporate Assessment Report. This learning is freely shared with partners, while the Council's expertise in this area has also been successfully commercialised.



## Reporting on Sustainable Development

This is the sixth year of reporting on sustainable development in Swansea. Progress is measured against seven priority areas for action defined within the Council's Sustainable Development Policy. Following the Report's adoption by Council, it is published alongside the Annual Statement of Accounts. This enables Council Members, Officers and the Public to benefit from a joined-up view of the year's outcomes in terms of impacts on well-being.

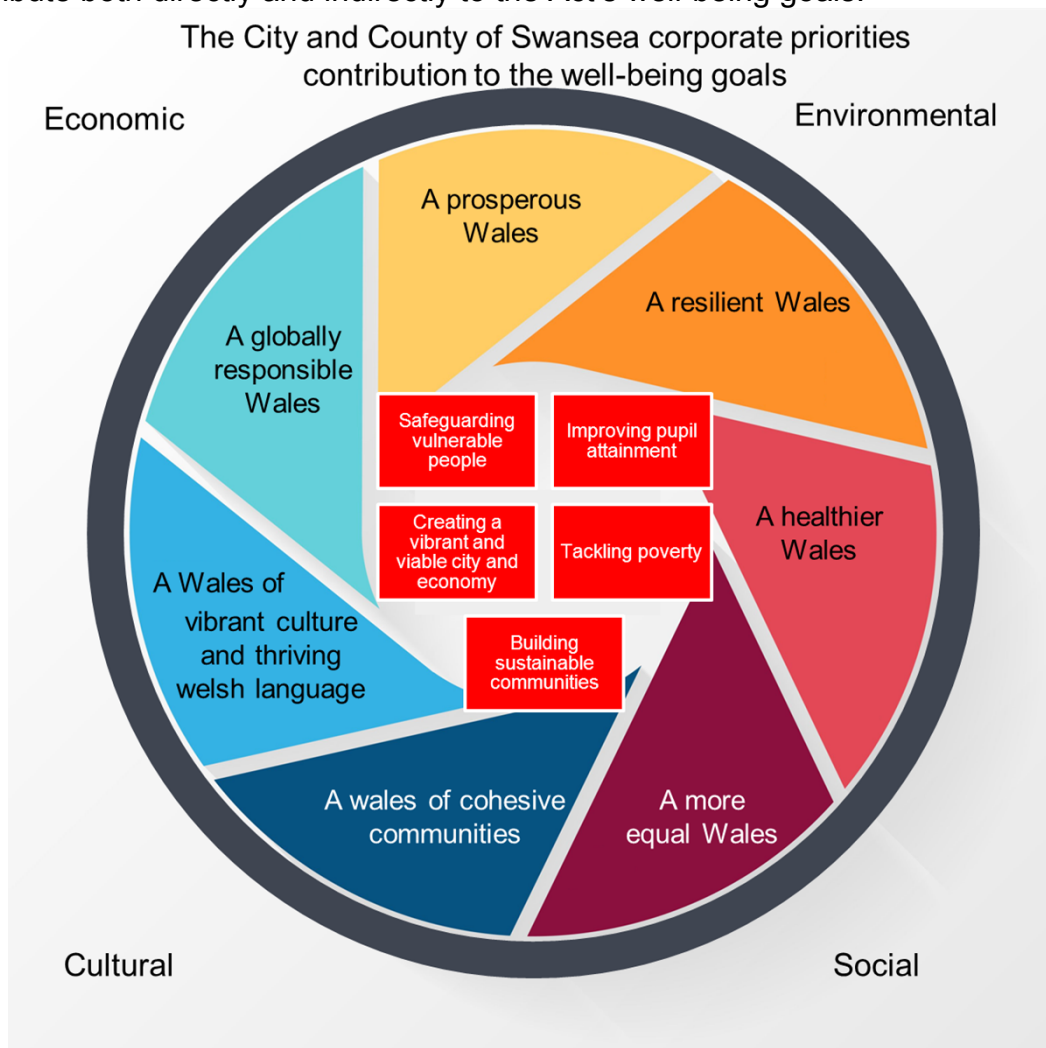
The current methodology was developed in 2012 with PwC influenced by CIPFA's 'Sustainability Reporting' guidance, The Prince's 'Accounting for Sustainability Connected Reporting' and, where practical, HM Treasury 'Public Sector Annual Reports: Sustainability Reporting Guidance'.

The reporting framework aims to connect strategy with material sustainability issues. Where possible the selected indicators are outcome rather than process focused. Indicators were selected and developed via relevance to the aims of the Council's Sustainable Development Policy and a Service Challenge Panel. All data presented within the report has been subject to a robust, internal and auditable certification and assurance process.

The report highlights key sustainable development issues and consists of two elements. A summary of sustainable development performance in the seven Priority Areas identified within the Sustainable Development Policy. This is followed by detailed information on individual metrics, grouped under Sustainable Development Priority Areas, analysed and displayed to best reflect their individual qualities.

### The Well-being of Future Generations (Wales) Act 2015

The 'sustainable development principle' underpinning this Act increasingly defines how services are planned and delivered at Swansea. Our corporate priorities each contribute both directly and indirectly to the Act's well-being goals.



The Act also sets out five governance approaches by which these outcomes are to be achieved. These ways of working include taking account of the long term, prevention, integration, collaboration and involvement. All are clearly demonstrated as fundamental elements of Swansea's transformation programme which aims to create a Sustainable Swansea - Fit for the Future.

### **A Globally Responsible, Resilient and Prosperous Swansea**

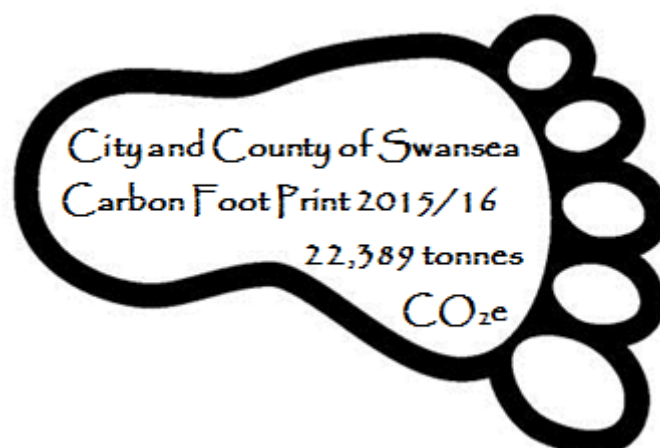
Effective carbon reduction and climate change impact management presents a range of social, economic and cultural as well as environmental challenges. Swansea can adapt and mitigate negative impacts and take advantage of the opportunities to best contribute to these goals.

One way to understand how the City and County of Swansea impacts climate change and therefore ensure decisions are made taking into account a broad information base is by considering our carbon footprint.

*'A carbon footprint measures the total greenhouse gas emissions caused directly and indirectly by a person, organisation, event or product'.* The Carbon Trust

Historically the Council's carbon footprint has mirrored energy consumption but over time has grown in scope to reflect transport impacts and construction waste as a wider information base becomes available.

In future, Swansea aspires to be able to report on metrics which are currently not available for measurement due to external constraints such as refrigerant gases and water consumption. The carbon impact of waste disposal undertaken by the Council as part of its operations is also currently being explored. In addition, future reporting could include the positive impacts of renewable energy generated by the organisation and impacts of secondary activity through suppliers and as a result of the full product life cycle.



## **The Future**

The Local Authority was the first in Wales to report on carbon emissions and energy consumption alongside the Annual Statement of Accounts before extending the scope of reporting to include economic, environmental and social indicators. This sixth year of reporting will produce the final report. The next phase of embedding sustainable development practice focuses on a single corporate plan built around sustainable governance principles and evidenced at all levels of the organisation. Sustainable development is to be embedded as the organisation's standard operating procedure expressed through the goals and ways of working of the Well-being of Future Generations Act.

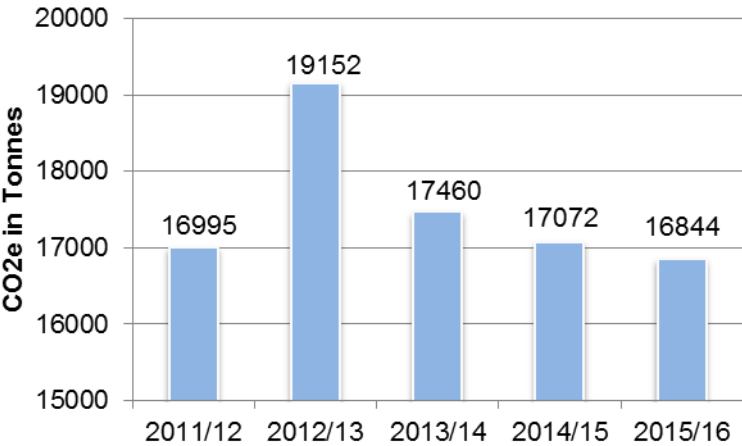
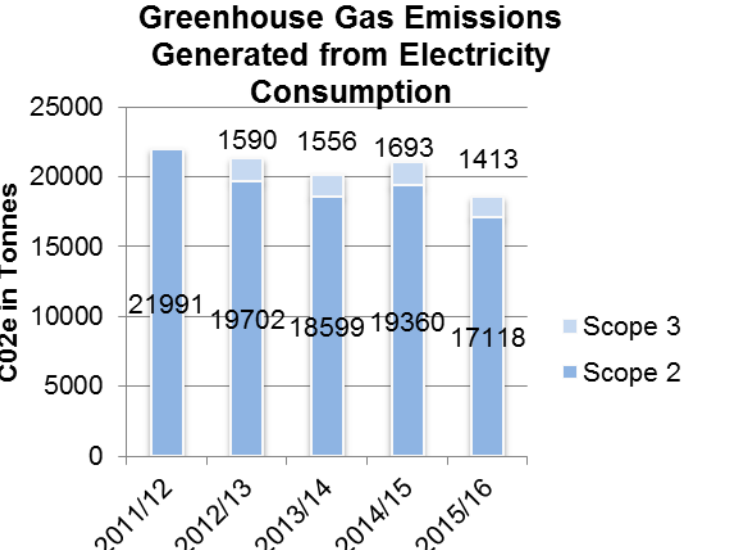
In challenging financial times, Swansea recognises the need to draw on all its resources. This includes often undervalued or under-utilised resources such as our natural environment, the capabilities and capacity of our citizens and partners, and the innovative ideas and thinking of service users, employees and residents. Sustainable development reporting was the first step towards a wider appreciation of how value is created in Swansea. The natural next step for Swansea will see the use of the balanced scorecard as a means of reporting on corporate priorities while considering wider resources throughout and beyond the organisation.




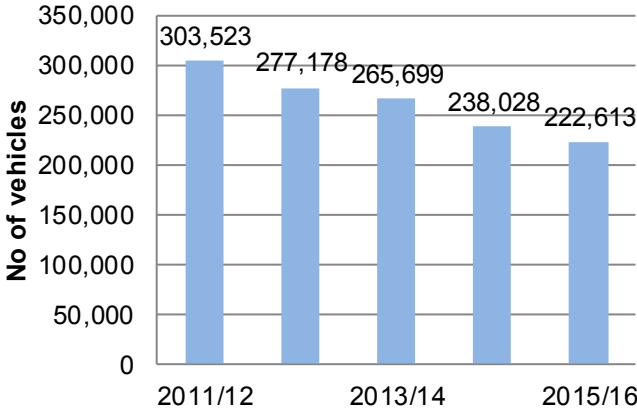

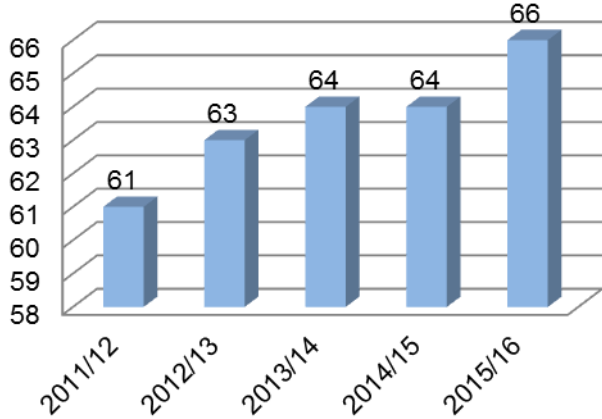

## SUMMARY OF SUSTAINABLE DEVELOPMENT PERFORMANCE



Priority Areas identified in Sustainable Development Policy 2012 and Direction of Progress ⓘ Improving, or at best performance    ➡ No change, no prior or insufficient information ,    ⓪ Declining	No & Status of Indicators in Priority Areas		
<b>Climate Change / Decarbonisation ( 6 in total ) 1-6 ⓘ</b>	<b>ⓘ 4</b>	<b>➡ 0</b>	<b>⓪ 2</b>
The City and County of Swansea (CCS) is a participant in the Carbon Reduction Commitment Energy Efficiency Scheme (CRC) and has developed a reporting system to ensure compliance. The data is also used to drive behavioural change and efficiencies aimed at reducing carbon emissions and associated energy costs. Investment in ‘low carbon’ technologies such as LED building & street lighting, renewable energy and electric vehicles demonstrate Swansea’s ambition is to be among the greenest cities in the UK. Swansea was the first authority in Wales to sign the Climate Local Commitment. Initial feasibility studies have identified the viability of District Heating and Cooling Networks and there is an expectation significant developments network where possible.			
<b>Sustainable Use of Natural Resources (8 in total) 7- 14 ⓘ</b>	<b>ⓘ 6</b>	<b>➡ 0</b>	<b>⓪ 2</b>
Considerable efforts have been made to minimise the single use and disposal of finite resources and maximise the use of sustainable raw materials and energy in more efficient ways. A ‘Municipal Waste strategy’ has been developed to meet Welsh Government targets set out in the <u>Towards Zero Waste Strategy</u> and the ‘Municipal Sector Plan’. The Authority has recently undertaken a Commissioning review into Waste Management and are planning to implement a number of new initiatives, including revamping its Household Waste Recycling Centres (HWRC) with a view to converting up to 4 of the sites to recycling only centres. Swansea works collaboratively as South West Wales Waste Partnership to find the most sustainable, cost effective and practical solutions to treat waste. New Welsh Government criteria has amalgamating funding previously issued to specific departments for specific tasks into a single Revenue Grant which requires a collaborative approach based on integrated objectives.			
<b>Natural Environment (4 in total) 15-18 ➡</b>	<b>ⓘ 2</b>	<b>➡ 1</b>	<b>⓪ 1</b>
Swansea has a wide diversity of landscapes and habitats that make up over 80% of the County’s total area. The Council aims to maximise the economic and social value created by our urban and rural environments and ensure that these assets are safeguarded and sustainably managed for the future (whether by the Council or other organisations). The Council is continuing to work with Natural Resources Wales and other partners (including the Swansea Biodiversity Partnership) to develop an ecosystem approach to natural resource management. Increasingly cross organisational approaches are being adopted. Tree planting is being used to reduce flood risks through Coed Cymru and an urban tree survey aims to ensure climate change and pollution are mitigated. New sand dunes are being created on Swansea beach to reduce windblown sand and improve coastal defences. The new Environment Bill (April 2016) will strengthen protection for biodiversity and require all public bodies to publish a plan to setting out what it will do to comply with the Duty. The efforts of volunteer groups are valued and of increasing importance new ways of working have been trialled for example Adult Services’ Neighbourhood Environmental Action Team (NEAT) have delivered projects in Parks.			




<b>Social Inclusion (3 in total) 19-21</b>	<b>2</b>	<b>0</b>	<b>1</b>
The Local Authority is committed to ensuring people from different backgrounds have similar life opportunities and that social exclusion based on income, access to services and participation poverty is addressed. The Poverty and Prevention Service ensures policies and strategies across the Council reduce social exclusion and mitigate the impact of welfare reform on the vulnerable. Services build the resilience of local communities equipping individuals with the knowledge and skills to create self-aware, independent, and resilient communities. Training and support for both staff and our partners builds capacity and highlights the direct and indirect impacts of poverty. There is also recognition of the need to support and work with the community both geographically and with communities of interest, by providing networks, local resources, and advice. The focus is on early intervention and preventative measures that reduce the long term need for more serious and costly action.			
<b>Economic Resilience (5 in total) 22-26</b>	<b>3</b>	<b>2</b>	<b>0</b>
Sustainable Swansea – Fit For the Future is a mechanism which ensures sustainable financial policies and procedures contribute to the continued financial viability of the City and County of Swansea as an organisation. 2015 saw the continuation of the biggest ever budget consultation with employees, the public and partners engaged in the continuously ongoing and rolling three year transformation programme which is set against a backdrop of distinctly challenging future public sector finances. The medium term financial plan (3 years) is an increasingly robust and responsive document which influences short term decision making. Longer term forecasting is still generally based on a service level analysis of trends although corporate level foresighting is in development. Collaborative economic planning led towards the development of the Swansea Bay City Region.			
<b>Governance (6 in total) 27-32</b>	<b>4</b>	<b>1</b>	<b>1</b>
Structures are adopted which ensure good government, management and leadership, characterised by openness, participation, accountability, predictability, and transparency. Extensive consultation takes place with residents on both corporate and service specific issues in line with the National Principles for Public Engagement and National Participation Standards. The Council is the first in Wales to adopt the United Nations Convention on the Rights of the Child placing a duty on the Authority to have due regard to the rights of children and young people placing them at the centre of decisions affecting them. The Swansea Standard sets customer service guidelines for staff was introduced following research undertaken with citizens.			
<b>Procurement (3 in total, formerly 5 but information is no longer available) 33- 35</b>	<b>3</b>	<b>0</b>	<b>0</b>
Sustainable Procurement aims to achieve more than simply obtain best value from the purchase of goods and services while acting legally, ethically and transparently to minimise risk. The 'Wales Procurement Policy Statement' guides action in line with the Well-being of Future Generations Act. The Council aims to maximise Community benefit from projects. Swansea is committed to maximising the percentage of expenditure with micro, small and medium SMEs (without contravening EC Procurement Directives) and is proactive in local supply chain development. The principles of Sustainable Swansea are embedded in all procurement activity.			
<b>Total – 35 Indicators</b>	<b>24</b>	<b>4</b>	<b>7</b>

Climate Change /Decarbonisation	Information, Initiatives and Targets	Progress																																					
<p><b>Greenhouse Gas Emissions (GHG)</b></p> <p><b>(1) Scope 1</b> Includes fossil fuel use in buildings (gas and heating oil) and fuel used in the Council's fleet (5% biodiesel mix).</p> <p><b>(2) Scope 2</b> Includes electricity use. Note: In previous years, conversion factors combined electricity generation and transmission and distribution (T&amp;D) data, (T&amp;D is now recorded in Scope 3).</p>	<p style="text-align: center;"><b>Scope 1 Greenhouse Gas Emissions</b></p>  <table border="1"> <caption>Scope 1 Greenhouse Gas Emissions</caption> <thead> <tr> <th>Year</th> <th>CO2e in Tonnes</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>16995</td> </tr> <tr> <td>2012/13</td> <td>19152</td> </tr> <tr> <td>2013/14</td> <td>17460</td> </tr> <tr> <td>2014/15</td> <td>17072</td> </tr> <tr> <td>2015/16</td> <td>16844</td> </tr> </tbody> </table> <p style="text-align: center;"><b>Greenhouse Gas Emissions Generated from Electricity Consumption</b></p>  <table border="1"> <caption>Greenhouse Gas Emissions Generated from Electricity Consumption</caption> <thead> <tr> <th>Year</th> <th>Scope 3 (CO2e in Tonnes)</th> <th>Scope 2 (CO2e in Tonnes)</th> <th>Total (CO2e in Tonnes)</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>21991</td> <td>-</td> <td>21991</td> </tr> <tr> <td>2012/13</td> <td>19702</td> <td>1590</td> <td>21292</td> </tr> <tr> <td>2013/14</td> <td>18599</td> <td>1556</td> <td>20155</td> </tr> <tr> <td>2014/15</td> <td>19360</td> <td>1693</td> <td>21053</td> </tr> <tr> <td>2015/16</td> <td>17118</td> <td>1413</td> <td>18531</td> </tr> </tbody> </table>	Year	CO2e in Tonnes	2011/12	16995	2012/13	19152	2013/14	17460	2014/15	17072	2015/16	16844	Year	Scope 3 (CO2e in Tonnes)	Scope 2 (CO2e in Tonnes)	Total (CO2e in Tonnes)	2011/12	21991	-	21991	2012/13	19702	1590	21292	2013/14	18599	1556	20155	2014/15	19360	1693	21053	2015/16	17118	1413	18531	<p>Both Scope 1 and Scope 2 emissions have fallen. This results from a more efficient property portfolio and investment in energy saving measures in corporate buildings.</p> <p>The Council is currently developing projects to explore how community-scale renewable energy projects may be used as a platform to develop enterprise, skills for local people and potentially an income stream for CCS (Swansea Community Energy and Enterprise Scheme - SCEES).</p> <p>CCS is a key player in <u>Low Carbon Swansea</u>, an initiative which coordinates carbon reduction across all sectors in Swansea. The Carbon Reduction Strategy 3% carbon emissions reduction target per annum has been set and met from a base year of 2009/10. This uses comparable conversion factors and excludes transport.</p> <p>The fleet now includes 9 electric cars and 5 charging point locations. A driver behaviour system is being trialled to improve fuel consumption.</p>	<p><b>Scope 1</b></p> <p style="text-align: center;">↑</p> <p><i>Scope 1 emissions have decreased</i></p> <p><b>Scope 2</b></p> <p style="text-align: center;">↑</p> <p><i>Scope 2 emissions have decreased</i></p>
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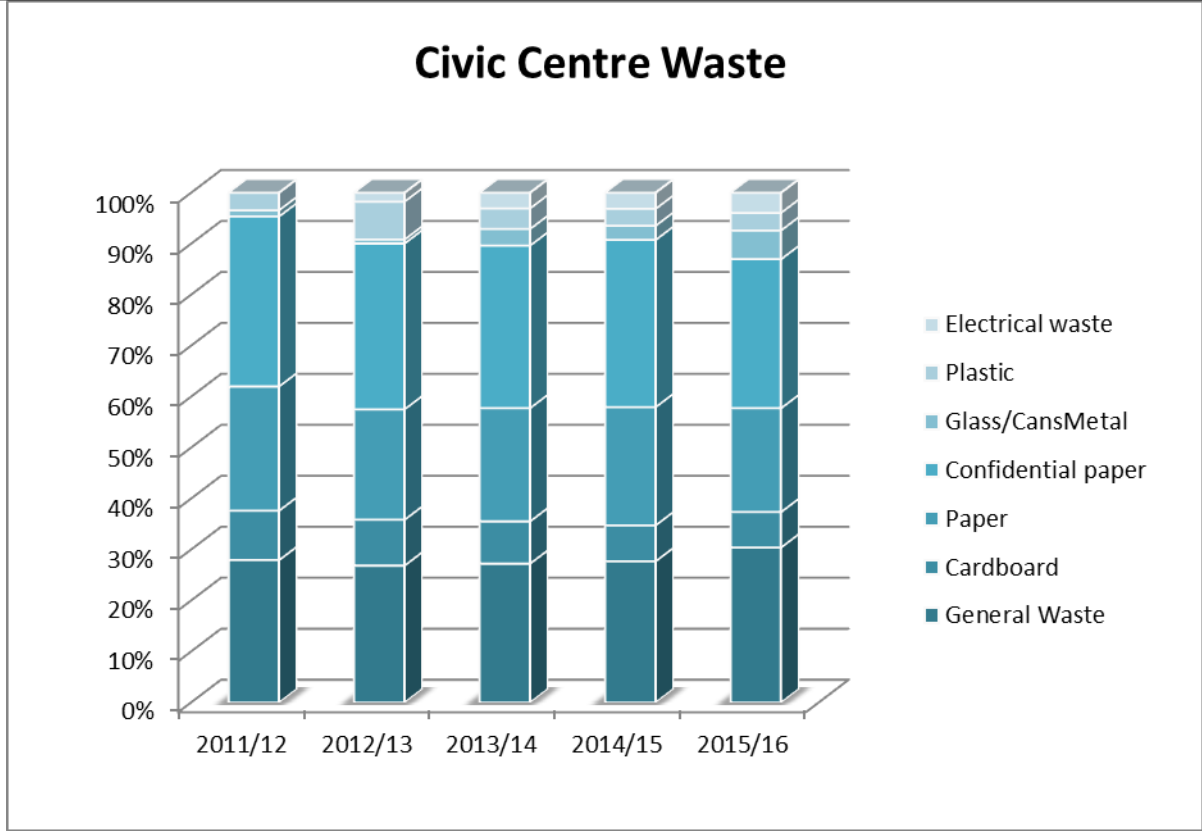
<p><b>(3) Scope 3</b> Includes business mileage, indirect electricity emissions and disposal of construction waste</p>	<table border="1" data-bbox="551 229 1207 608"> <thead> <tr> <th></th> <th>Business Travel Mileage (miles)</th> <th>Emissions Generated (tonnes CO<sub>2</sub>e)</th> <th>Expenditure (£)</th> </tr> </thead> <tbody> <tr> <td>2015/16</td> <td>3,329,194</td> <td>998</td> <td>1,500,124</td> </tr> <tr> <td>2014/15</td> <td>3,220,074</td> <td>982</td> <td>1,579,722</td> </tr> <tr> <td>2013/14</td> <td>3,648,983</td> <td>1117</td> <td>1,984,875</td> </tr> <tr> <td>2012-13</td> <td>3,654,429</td> <td>1,145</td> <td>1,973,849</td> </tr> <tr> <td>2011-12</td> <td>3,865,675</td> <td>1,273</td> <td>2,095,853</td> </tr> </tbody> </table> <p><i>*In 2012 the methodology was improved to capture wider data</i></p>		Business Travel Mileage (miles)	Emissions Generated (tonnes CO <sub>2</sub> e)	Expenditure (£)	2015/16	3,329,194	998	1,500,124	2014/15	3,220,074	982	1,579,722	2013/14	3,648,983	1117	1,984,875	2012-13	3,654,429	1,145	1,973,849	2011-12	3,865,675	1,273	2,095,853	<p>There has been a slight increase in the use of own vehicles for business use. The Council's pool bike scheme operates at the Civic Centre and Guildhall sites.</p> <p>Construction waste emissions have also fallen by 7 tonnes to 20 tonnes CO<sub>2</sub>e.</p> <p>Indirect carbon emissions resulting from the transmission and distribution of electricity are account for 1,413 tonnes CO<sub>2</sub>e.</p>	 <p><i>Scope 3 emissions have fallen</i></p>
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<p><b>Notes</b></p>	<ol style="list-style-type: none"> <li>1. Electricity and Gas data is based on utility billing information, some of which will be estimated.</li> <li>2. Fossil fuel (gas and oil) is presented as absolute figures and is not corrected for weather.</li> <li>3. Business travel data is for road miles only.</li> <li>4. Carbon emissions are calculated using appropriate Defra/DECC GHG Conversion factors for Company Reporting.</li> <li>5. Carbon dioxide equivalent (CO<sub>2</sub>e) is a universal unit of measurement that allows the global warming potential of different GHGs to be compared</li> </ol>																										

<p><b>(4) Number of Cars Using Park and Ride Services</b></p>	<p style="text-align: center;"><b>Cars Using Park and Ride</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>No of vehicles</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>303,523</td> </tr> <tr> <td>2012/13</td> <td>277,178</td> </tr> <tr> <td>2013/14</td> <td>265,699</td> </tr> <tr> <td>2014/15</td> <td>238,028</td> </tr> <tr> <td>2015/16</td> <td>222,613</td> </tr> </tbody> </table>	Year	No of vehicles	2011/12	303,523	2012/13	277,178	2013/14	265,699	2014/15	238,028	2015/16	222,613	<p>In 2015/16 Swansea had 3 <u>Park and Ride</u> sites located at Landore, Fabian Way and Fforestfach resulting in a significant reduction in traffic to the City Centre.</p> <p>A subsidy scheme encourages staff to commute using this service.</p> <p>Prepayment and season tickets offer discounts and the ability to pay by cash or card makes using the sites easier. Collaborative working with Swansea University has resulted in students being able to use the Fabian Way site rather than park on-street or on-campus.</p>	
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<p><b>(5) The average SAP (Standard Assessment Procedure) rating of local authority owned dwellings. (HSG4)</b></p>	<p style="text-align: center;"><b>Average SAP Rating of Local Authority Owned Dwellings</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Average SAP Rating</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>61</td> </tr> <tr> <td>2012/13</td> <td>63</td> </tr> <tr> <td>2013/14</td> <td>64</td> </tr> <tr> <td>2014/15</td> <td>64</td> </tr> <tr> <td>2015/16</td> <td>66</td> </tr> </tbody> </table>	Year	Average SAP Rating	2011/12	61	2012/13	63	2013/14	64	2014/15	64	2015/16	66	<p>The SAP rating of a house measures its energy efficiency performance and represents the average of Energy Performance Certificates carried out since October 2008. The Council continues to work towards the Wales Housing Quality Standard.</p> <p>Efficiency Initiatives to increase council house energy efficiency have been funded by the Energy Company Obligation (ECO). 'The Council began work on the 'More Homes Project' which aims to pilot a small scheme of new build Passivhaus style homes.</p>	
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<p><b>(6) Average Display Energy Certificate (DEC) rating in the Council's public buildings</b></p>	<table border="1" data-bbox="640 233 1120 515"> <thead> <tr> <th></th> <th>Rating</th> <th>Grade</th> </tr> </thead> <tbody> <tr> <td>2015/16</td> <td>88.4</td> <td>D</td> </tr> <tr> <td>2014/15</td> <td>87.1</td> <td>D</td> </tr> <tr> <td>2013/14</td> <td>86.5</td> <td>D</td> </tr> <tr> <td>2012/13</td> <td>92.6</td> <td>D</td> </tr> <tr> <td>2011/12</td> <td>94.6</td> <td>D</td> </tr> </tbody> </table> <p><i>A 'D' Grade is awarded to sites with a Display Energy Certificate rating of between 76 to 100.</i></p>		Rating	Grade	2015/16	88.4	D	2014/15	87.1	D	2013/14	86.5	D	2012/13	92.6	D	2011/12	94.6	D	<p>All public buildings over 1000m<sup>2</sup> must display a DEC. Buildings are graded from "A" to "G" with an "A" rating being the most energy efficient. An average grade of "D" has been maintained however the rating on which this grade is based has significantly improved since 2010.</p> <p>In addition all public buildings over 500m<sup>2</sup> have a ten year Display Energy Certificate and some smaller buildings have been issued with Voluntary DEC's.</p>	 <p><i>The average rating score has increased slightly but met target by maintaining a D grade scoring below 100</i></p>
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<p><b>Sustainable Use of Natural Resources</b></p>		<p><b>Information, Initiatives and Targets</b></p>																			
<p><b>(7) Water and sewage expenditure</b> <i>Includes an informed estimate relating to a minority of schools in prior years</i></p>	<table border="1" data-bbox="701 826 1057 1043"> <tbody> <tr> <td>2015/16</td> <td>£1,092,000</td> </tr> <tr> <td>2014/15</td> <td>£1,160,000</td> </tr> <tr> <td>2013/14</td> <td>£1,318,000</td> </tr> <tr> <td>2012/13</td> <td>£1,040,872</td> </tr> <tr> <td>2011/12</td> <td>£961,266</td> </tr> </tbody> </table> <p>While data over the past five year's is not fully comparable it reflects work to improve the accuracy and scope of reporting. A more meaningful comparison of expenditure is now possible in relation to a 2013/14 baseline.</p>	2015/16	£1,092,000	2014/15	£1,160,000	2013/14	£1,318,000	2012/13	£1,040,872	2011/12	£961,266	<p>Discussions are ongoing with Welsh Water to introduce centralised billing and automatic metering (AMR). In the absence of these tools it is not possible to fully understand water consumption other than in terms of expenditure.</p> <p>Detailed billing is currently only recorded for key corporate buildings precluding greater analysis and the effective monitoring and control of consumption.</p>	 <p><i>Recorded expenditure has decreased</i></p>								
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<p><b>(8) Consumption of water at key civic offices</b> (Civic Centre and Guildhall )</p>	<table border="1"> <thead> <tr> <th>Civic Centre</th> <th>Expenditure £</th> <th>Cubic metres</th> <th>Guildhall</th> <th>Expenditure £</th> <th>Cubic metres</th> </tr> </thead> <tbody> <tr> <td><b>2015/16</b></td> <td>£35,379</td> <td>11,957</td> <td><b>2015/16</b></td> <td>£23,307</td> <td>7,583</td> </tr> <tr> <td><b>2014/15</b></td> <td>£31,273</td> <td>10,304</td> <td><b>2014/15</b></td> <td>£18,228*</td> <td>5,433</td> </tr> <tr> <td><b>2013-14</b></td> <td>£30,528</td> <td>10,244</td> <td><b>2013-14</b></td> <td>£77,336</td> <td>26,444</td> </tr> <tr> <td><b>2012-13</b></td> <td>£28,237</td> <td>9,732</td> <td><b>2012-13</b></td> <td>£16,603</td> <td>5,740</td> </tr> <tr> <td><b>2011-12</b></td> <td>£30,651</td> <td>11,013</td> <td><b>2011-12</b></td> <td>£16,114</td> <td>5,811</td> </tr> </tbody> </table>						Civic Centre	Expenditure £	Cubic metres	Guildhall	Expenditure £	Cubic metres	<b>2015/16</b>	£35,379	11,957	<b>2015/16</b>	£23,307	7,583	<b>2014/15</b>	£31,273	10,304	<b>2014/15</b>	£18,228*	5,433	<b>2013-14</b>	£30,528	10,244	<b>2013-14</b>	£77,336	26,444	<b>2012-13</b>	£28,237	9,732	<b>2012-13</b>	£16,603	5,740	<b>2011-12</b>	£30,651	11,013	<b>2011-12</b>	£16,114	5,811	<p style="text-align: center;"></p> <p style="text-align: center;"><i>Water consumption has increased at both key civic offices but may have decreased elsewhere</i></p>
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<p><i>The increase in usage and expenditure at both sites is accounted for by an increase in staffing numbers and density at both sites. Previous usage at Oldway and Penllergaer was not reported so meaningful comparisons are not possible. Additional events held at the reopened, refurbished Brangwyn Hall and beach also use these water supplies.</i></p>		<p><b>(9) Number of schools attaining Eco Schools International Green Flag Programme Awards</b></p>	<p style="text-align: center;"><b>26 Green Flag Scheme Awards Gained in 2015/16</b></p>  <ul style="list-style-type: none"> <li>■ Bronze Awards:</li> <li>■ Silver Awards:</li> <li>■ 1st Green Flag:</li> <li>■ 2nd Green Flag:</li> <li>■ 3rd Green Flag:</li> <li>■ Platinum Eco-School:</li> </ul>		<p>The Eco Schools programme is a student led, environmental management system which provides a structure for sustainable development activities in schools.</p> <p>Approximately 95 schools are involved with eco schools in Swansea. The activity in Swansea schools' demonstrates a clear commitment from participants with higher numbers of higher level awards. 16 Swansea schools hold the Platinum Award. Future work will focus on process and progression.</p>	<p style="text-align: center;"></p> <p style="text-align: center;"><b>The number of schools gaining awards increased this year</b></p>																																					

**(10) Waste recycled at Civic Centre**





	2011/12	2012/13	2013/14	2014/15	2015/16
<b>Total Rubbish and Recycling (tonnes)</b>	194	231	203	212	212
<b>Total Recycling (tonnes)</b>	140	169	148	153	147
<b>Recycling Rate %</b>	72	73	73	72	69








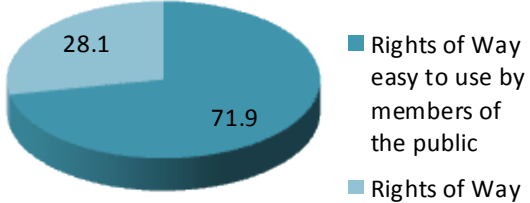

*The total amount of waste produced has remained static this year but the % recycled has reduced.*



*A waste analysis has been completed and action plan to improve recycling at civic buildings is under development*


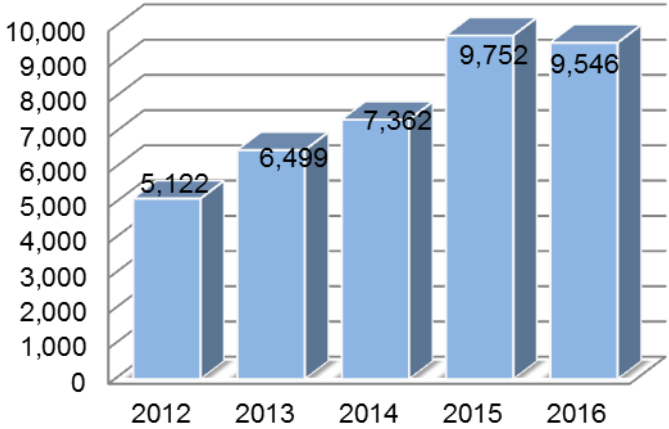



<p><b>(11) The percentage of municipal waste sent to landfill (WMT004b)</b></p>	<p style="text-align: center;"><b>The Percentage of Munciple Waste Sent to Landfill</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>54%</td> </tr> <tr> <td>2012/13</td> <td>50%</td> </tr> <tr> <td>2013/14</td> <td>45%</td> </tr> <tr> <td>2014/15</td> <td>43%</td> </tr> <tr> <td>2015/16</td> <td>38%</td> </tr> </tbody> </table>	Year	Percentage	2011/12	54%	2012/13	50%	2013/14	45%	2014/15	43%	2015/16	38%	<p>Waste sent to landfill has reduced due to initiatives including the 3 bag limit, an increase in both the amount of waste recycled and the levels of waste sent for energy recovery. The popular Reuse Shop reclaims and sells items destined for landfill improving reuse levels. The SWAT Team break down household items for recycling. Sammy Seagull heads up the schools recycling programme, while targeted campaigns help students recycle effectively. Surveying followed up by targeted door-knocking campaigns, thanks and helps residents recycle.</p>	<p style="text-align: center;"></p> <p><i>In 2015/16 performance more than met the target of 42%. A target of 41% or below is in place for 2016/17. Land fill tax was set at £82.60 per tonne in 2015/16</i></p>
Year	Percentage														
2011/12	54%														
2012/13	50%														
2013/14	45%														
2014/15	43%														
2015/16	38%														
<p><b>(12) The percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled, including source segregated biowastes that are composted or treated biologically in another way (WMT009b)</b></p>	<p style="text-align: center;"><b>Waste Collected by Local Authorities and Prepared for Reuse and/or Recycling</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>45%</td> </tr> <tr> <td>2012/13</td> <td>48%</td> </tr> <tr> <td>2013/14</td> <td>53%</td> </tr> <tr> <td>2014/15</td> <td>57%</td> </tr> <tr> <td>2015/16</td> <td>59%</td> </tr> </tbody> </table>	Year	Percentage	2011/12	45%	2012/13	48%	2013/14	53%	2014/15	57%	2015/16	59%	<p>Recycling targets are increasingly challenging and require the support of the public if they are to be met. The overall re-use/recycling/composting statutory target rose to 58% for 2015/16 and is set to rise to 64% by 2019/20. Whilst the Authority has met the statutory target of 58% in 2015/16 much work needs to be undertaken to ensure the Authority meet the future statutory targets. Public engagement has focused on the 'keep it to 3' strategy. A free smartphone app 'Connect Swansea' helps people access recycling information now has almost 8000 users.</p>	<p style="text-align: center;"></p> <p><i>The 2015/16 performance target was set at 58% and achieved. In 2016/17 the target is set at 59%.</i></p>
Year	Percentage														
2011/12	45%														
2012/13	48%														
2013/14	53%														
2014/15	57%														
2015/16	59%														

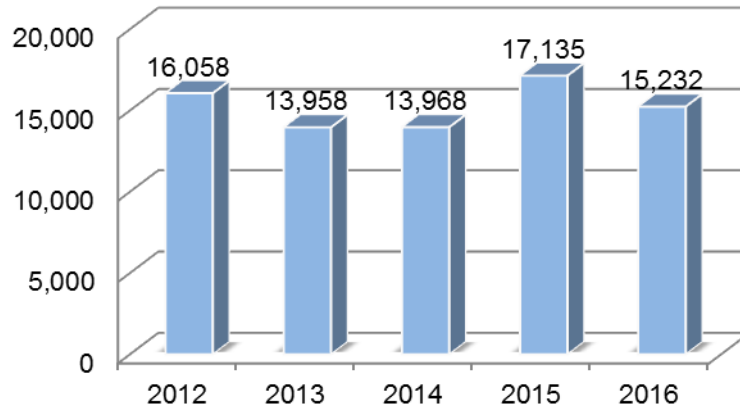
<b>(13) The percentage of local authority collected municipal waste used to recover heat and power</b>	The percentage of waste used to recover heat and energy for 2015/16 was 10.5% which is made up of the tonnage of food waste sent for anaerobic digestion and material sent for incineration with heat/energy recovery. This achieves the target of 5% set for 2015/16.		 <i>Target has been achieved</i>												
<b>(14) Percentage of biodegradable municipal waste landfill allowance used</b>	<table border="1" data-bbox="577 491 1182 801"> <thead> <tr> <th>Year</th> <th>Allowance used (%)</th> </tr> </thead> <tbody> <tr> <td>2015/16</td> <td>79.6</td> </tr> <tr> <td>2014/15</td> <td>75.8</td> </tr> <tr> <td>2013/14</td> <td>85.1</td> </tr> <tr> <td>2012/13</td> <td>81.2</td> </tr> <tr> <td>2011/12</td> <td>72.6</td> </tr> </tbody> </table> <p>This significant reduction is credited to the Keep It to Three campaign, door knocking campaigns and a focus on commercial waste recycling.</p>	Year	Allowance used (%)	2015/16	79.6	2014/15	75.8	2013/14	85.1	2012/13	81.2	2011/12	72.6	The Authority has an annual <a href="#">Landfill Allowances Scheme</a> allowance which governs the amount of biodegradable municipal waste it can send to landfill in any given year. An increase in the tonnage of biodegradable waste recycled together with an overall reduction in waste landfilled will help the authority meet the allowance. This allowance reduces each year making each year more challenging. The authority risks fines if it fails to meet its target.	 <i>The target of less than 100% has been achieved</i>
Year	Allowance used (%)														
2015/16	79.6														
2014/15	75.8														
2013/14	85.1														
2012/13	81.2														
2011/12	72.6														
<b>Natural Environment</b>		<b>Information, Initiatives and Targets</b>	<b>Progress</b>												
<b>(15) Number of Green Flags and Blue Flags awarded to local authority operated areas</b>	<p>The Keep Wales Tidy <a href="#">Green Flag Award</a> was again awarded to Parc Llewelyn, Cwmdonkin, Victoria, Brynmill, Clyne and the Botanical Complex at Singleton Park. Also volunteer groups working with Council-owned sites were supported to apply for Green Flag Community Awards. There are now over 30 Friends of Parks groups. <b>Swansea Friends Forum</b> supports volunteer activity within green-spaces underpinned by a 110 member 'Facebook' group promoting the flow of information between the Council and volunteer groups.</p> <p>Four beaches were awarded the <a href="#">Blue Flag</a>, Port Eynon, Caswell, Langland and Bracelet. Swansea Marina has also received the award in 2016. At Swansea Bay predicted water quality information is posted thrice daily at the slip, meeting EU standards.</p>		 <i>3 community awards bring the total of Green Flag Parks to 9.</i>												

<p><b>(16) Number of biodiversity training sessions delivered, action plans produced and employees trained</b></p>	<p>A limited number of awareness raising sessions took place in 15/16, and more work has been done to develop the 'Wild about Your Ward' Biodiversity profile packs. Staff also attended Biodiversity training organised by NRW and Welsh Government. This action aims to help the Local Authority to understand their obligations for biodiversity under the <u>Natural Environment and Rural Communities Act 2006</u>, and to provide information and advice on ways in which they can adopt relevant working practices which help to conserve and enhance biodiversity. The Authority's Biodiversity Champion continues to be actively engaged in promoting awareness of biodiversity across the Council. Further training is needed to raise awareness of the new obligations for maintaining and enhancing biodiversity and ecosystem resilience as set out in the new Well-being of Future Generations Act and the Environment Act 2016.</p>	<p style="text-align: center;">   <i>Resource constraints meant that NERC training could not be maintained.</i> </p>	
<p><b>(17) Number of Local Nature Reserves (LNR)s</b></p>	<p>The Authority currently has 6 Local Nature Reserves which are managed by the Council in partnership with other organisations with help from local volunteers. LNRs are areas of high biodiversity value which are accessible to people and provide opportunities for people to enjoy nature where they live.</p>	<p>Progress toward the designation of a seventh LNR at Garth Farm is on target. A draft management plan has been prepared and consultation is underway.</p>	<p style="text-align: center;">  </p>
<p><b>(18) The percentage of total length of Rights of Way which are easy to use by members of the public</b></p>	<p style="text-align: center;"><b>The Percentage of Total Length of Rights of Way Easy to Use by Members of the Public</b></p>  <p style="text-align: center;"> <span style="color: #0070C0;">■</span> Rights of Way easy to use by members of the public  <span style="color: #4F81BD;">■</span> Rights of Way         </p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><i>The result is erratic due to the nature of the survey methodology but gives a good indication over a period of the state of infrastructure and helps direct future work.</i></p> </div>	<p>The Council is responsible for over 400 miles of public rights of way. Partnership working with stakeholders helps fund this work. While the active engagement of citizens and groups as volunteers helps improve existing and develop new routes. Initiatives such as the Love Your Countryside festival, Swansea Nature Network &amp; Countryside Connections Project promote access, understanding and enjoyment of local green spaces and wildlife sites. Rural assets are leveraged to provide urban economic, social and other outcomes.</p>	<p style="text-align: center;">   <i>The percentage has improved from 60.4% the previous year. This is likely to become more challenging in future years as resources decrease.</i> </p>

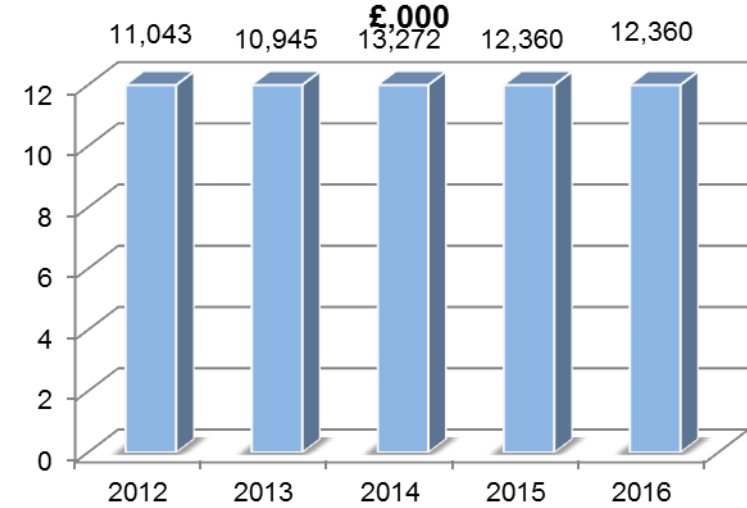
Social Inclusion	Information, Initiatives and Targets		Progress														
<p><b>(19) Percentage of young people (at 16 years) not known to be in Education, Employment or Training (NEET)</b></p> <p><i>(this is a local measure which includes children educated other than at school rather than the nationally published figure)</i></p>	<p><b>The Percentage of Young People Known to be NEET</b></p> <table border="1"> <caption>The Percentage of Young People Known to be NEET</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>4.2%</td> </tr> <tr> <td>2011/12</td> <td>3.1%</td> </tr> <tr> <td>2012/13</td> <td>2.9%</td> </tr> <tr> <td>2013/14</td> <td>3.2%</td> </tr> <tr> <td>2014/15</td> <td>3.7%</td> </tr> <tr> <td>2015/16</td> <td>3.3%</td> </tr> </tbody> </table>	Year	Percentage	2010/11	4.2%	2011/12	3.1%	2012/13	2.9%	2013/14	3.2%	2014/15	3.7%	2015/16	3.3%	<p>Intensive support and appropriate, education, employment and training opportunities account for the decrease in NEETS. However to support those with sustained or recurring NEET status, the NEET Board is working with stakeholders to analyse why people are NEET, how unmet needs can be addressed and how an integrated service delivery approach can support those with complex needs and those hardest to help. These findings will inform the development of a future support programme.</p>	<p style="text-align: center;"></p> <p><i>Aspirational target of 3% not met. However the rising trend in NEETS since 2012/13 has been reversed. The aim is to minimise the % of NEETS.</i></p>
Year	Percentage																
2010/11	4.2%																
2011/12	3.1%																
2012/13	2.9%																
2013/14	3.2%																
2014/15	3.7%																
2015/16	3.3%																
<p><b>(20) Learners leaving Employment Training with a positive outcome</b></p>	<p><b>Percentage of Learners Leaving Employment Training with a Positive Outcome</b></p> <table border="1"> <caption>Percentage of Learners Leaving Employment Training with a Positive Outcome</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>81</td> </tr> <tr> <td>2012/13</td> <td>83.5</td> </tr> <tr> <td>2013/14</td> <td>83</td> </tr> <tr> <td>2014/15</td> <td>83</td> </tr> <tr> <td>2015/16</td> <td>79</td> </tr> </tbody> </table>	Year	Percentage	2011/12	81	2012/13	83.5	2013/14	83	2014/15	83	2015/16	79	<p>Lifelong Learning and Employment Training Service (LLETS) provided young people and adults with apprenticeship opportunities from foundation to highest levels. This included crosscutting themes 'Environmental and Sustainability Global Citizenship' and 'Welsh Language and Culture'. The Council's provision of Employment Training was transferred to Gower College Swansea in April 2016.</p>	<p style="text-align: center;"></p> <p><i>The traineeship programme's end mid academic year impacted the proportion achieving positive outcomes</i></p>		
Year	Percentage																
2011/12	81																
2012/13	83.5																
2013/14	83																
2014/15	83																
2015/16	79																

<p><b>(21) Percentage of pupils of statutory age claiming Free School Meals (FSM)</b></p>	<p>Snapshot data reported at January 2016 indicates Free School Meals are claimed by 19.3% of statutory age pupils. This rate is lower than estimated entitlement to this benefit, a situation attributed to cultural and language factors. While the rate of claims has fallen over a percentage point over the past three years, this positive trend may not translate into an improvement in child poverty. Schools report the impact of welfare reform has reduced entitlement to FSM. Changes in entitlement to benefits which trigger FSM have impacted eligibility although family circumstances have not changed. School based initiatives motivated by the link to the Pupil Deprivation Grant ensure parents and carers are aware of this benefit and have the opportunity to apply.</p>	<p style="text-align: center;">   <i>Small decrease of 0.5%</i> </p>													
<p><b>Economic Resilience</b></p>	<p><b>Information, Initiatives and Targets</b></p>	<p><b>Progress</b></p>													
<p><b>(22) Level of funds in reserve (£,000)</b></p>	<p style="text-align: center;"><b>Schools Delegated Reserves £'000</b></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Reserves (£'000)</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>5,122</td> </tr> <tr> <td>2013</td> <td>6,499</td> </tr> <tr> <td>2014</td> <td>7,362</td> </tr> <tr> <td>2015</td> <td>9,752</td> </tr> <tr> <td>2016</td> <td>9,546</td> </tr> </tbody> </table>	Year	Reserves (£'000)	2012	5,122	2013	6,499	2014	7,362	2015	9,752	2016	9,546	<p>The Housing Revenue Account Reserves will be used to fund the capital works to meet the Welsh Quality Housing Standard more quickly, apart from £4m which is held as a general HRA contingency fund.</p> <p>Schools have delegated budgets and are permitted to hold surplus balances in reserve for future years.</p>	<p style="text-align: center;">  </p>
Year	Reserves (£'000)														
2012	5,122														
2013	6,499														
2014	7,362														
2015	9,752														
2016	9,546														

**Housing Revenue Account £'000**

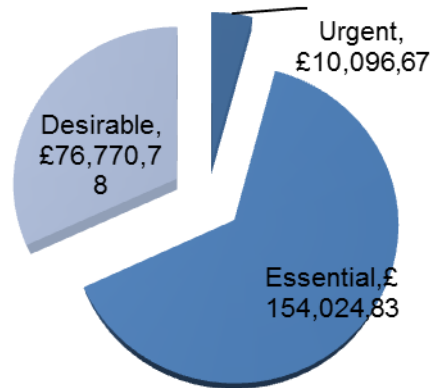


**General Reserves and Contingency**



**(23) Asset management \_**  
**The total value of required maintenance for the Local Authority's buildings assigned to works of priority level**

**The total value of required maintenance for the local authority's buildings assigned to works of priority level**


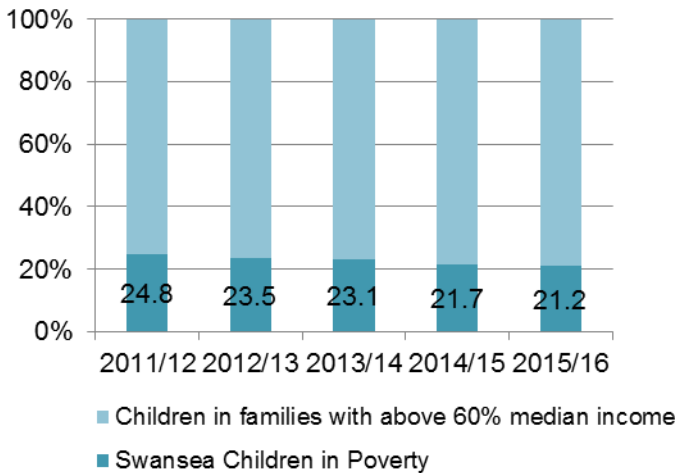





The total value of required maintenance in 2015/16 was approximately £240.892 million compared to approximately £245.133 million in the previous year.

4% of this work is of a high priority, 64% is essential and 32% is desirable.




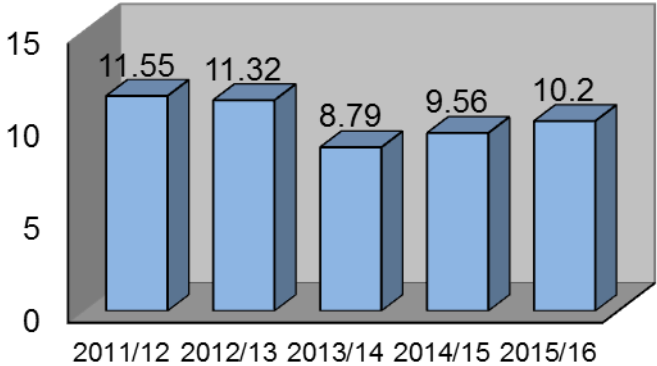



*Total value of required work has decreased.*

<p><b>(24) The percentage of void properties in the City Centre</b></p>	<p>The percentage of void properties in the City Centre averaged 13.2% during 2015/16. The quarterly survey looks at ground floor commercial and retail properties within the primary and secondary retail zones in the City Centre. Formerly figures included the wider city centre area.</p> <p>The Council works closely with Swansea’s Business Improvement District (BID) to actively promote a vibrant City Centre to overcome the national trend in increasing empty properties. The City Centre’s development presents both a risk and long term opportunity regarding the concentration of the retail core, development of City Living and designation of the Kingsway as an area designated for business and office use. This can be seen in the appearance of voids on the Kingsway as retail relocates.</p>	<p style="text-align: center;">   <i>Not comparable to previous years due to change in survey methodology</i> </p>												
<p><b>(25) Percentage of children in Poverty (under 16)</b></p>	<p style="text-align: center;"><b>Percentage of Children Living in Poverty</b></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Swansea Children in Poverty (%)</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>24.8</td> </tr> <tr> <td>2012/13</td> <td>23.5</td> </tr> <tr> <td>2013/14</td> <td>23.1</td> </tr> <tr> <td>2014/15</td> <td>21.7</td> </tr> <tr> <td>2015/16</td> <td>21.2</td> </tr> </tbody> </table> <p><i>The ‘Children in Low Income Families Measure’ defines a child as being in relative poverty if they live in a household where income is less than 60 per cent of the national median income. This includes working families in receipt of tax credits as well as families claiming out of work benefits. (Snapshot August 2013)</i></p>	Year	Swansea Children in Poverty (%)	2011/12	24.8	2012/13	23.5	2013/14	23.1	2014/15	21.7	2015/16	21.2	<p>This indicator mirrors national trends by decreasing each year. However, the recorded improvement is a comment on ‘relative rather than absolute’ poverty. In an environment where average living standards have declined and welfare reforms have been made to tax credits, the decrease does not reflect an improvement in the circumstances of Swansea’s children.</p> <p>While the “poverty line” is 60% of the median, most household types actually require nearly 75% of median income to have an acceptable standard of living in the UK. <a href="#">Swansea's Poverty Profile</a> gives a wider insight into the impact and impacts of poverty in Swansea.</p> <p style="text-align: center;">   <i>Decrease in relative poverty of 0.5%</i> </p>
Year	Swansea Children in Poverty (%)													
2011/12	24.8													
2012/13	23.5													
2013/14	23.1													
2014/15	21.7													
2015/16	21.2													

<p><b>(26) The percentage of clients returning home after residential re-ablement</b></p>	<p>This indicator demonstrates how Social Services are being redesigned with service users to be more resilient in the face of rising demand.</p> <p>A residential re-ablement service has been developed to help older people who need a short period of care to help them recover after a fall or illness. In 2015/16, 52.91% of people receiving a residential re-ablement service returned home rather than being admitted to long term or hospital care.</p> <p><i>The nature of pressures on the NHS has led to patients with a high level of need and lower potential for re-ablement being discharged into re-ablement beds (aka assessment beds.) Improved performance in the latter half of the year resulted following a decision to restrict use of assessment beds to those with genuine potential for re-ablement and also a change in the management of the service.</i></p>	<p>The Promoting Safer Independence programme for older people and vulnerable adults in Swansea aims to safely reduce or prevent the need for citizens to require a formal adult services intervention or 'managed care' and to improve safety and independence for Swansea's most vulnerable citizens.</p> <p>The Western Bay Health and Social Care Programme facilitates collaborative working with health partners based on a regional strategy and analysis of demand.</p> <p>Improvement will be maintained by continuing the appropriate selection of admissions.</p>	<p></p> <p><i>While the target of 62% was not met, performance has improved considerably on the 51.16% result the previous year. The majority of clients are now returning home following residential re-ablement and very few are entering residential care</i></p>
<p><b>Governance</b></p>		<p><b>Information, Initiatives and Targets</b></p>	
<p><b>(27) % of Swansea Residents satisfied or very satisfied with the Council and its services (CUST6)</b></p>	<p>A new means of listening to residents has been introduced to provide a more comparable source of reputational and customer satisfaction awareness than the Swansea Voices citizen panel which previously gave a biennial snapshot of resident satisfaction.</p> <p>The new Reputation Tracker telephone survey provides a more frequent and comparable source of intelligence relating to residents' views. A target result of 60% was set and has been achieved with 69% of Swansea Residents satisfied or very satisfied with the Council and its services.</p>		<p></p> <p><i>Not comparable to previous years due to change in survey methodology</i></p>



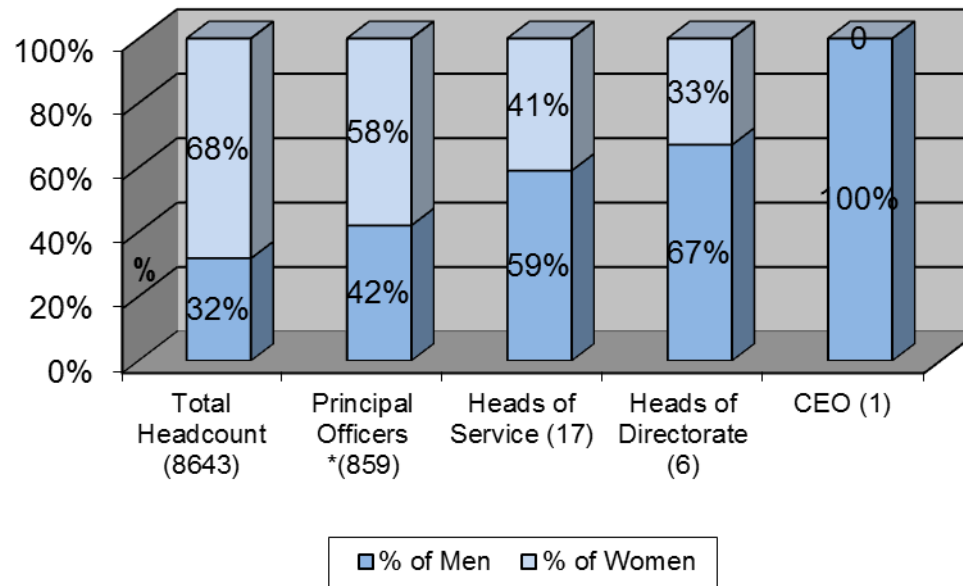
<p><b>(28) Number of complaints upheld</b></p>	<p>Complaints provide a valuable opportunity to improve services by learning from this information. In 2015/16, 945 corporate complaints were recorded by the Authority. A new central recording mechanism was adopted by all Service Areas in 2013 which is now providing a much richer analysis of complaint outcomes than has ever previously been available.</p> <p>For complaints received in 2015/16, 23.6% of complaints were found to be justified, 19.4% were part justified and 42.3% were not justified. Outcomes were not specified in 9.4% of cases, where complaints were either discontinued, withdrawn or no response was required. During the year, 93 corporate complaints were referred for further investigation to 'Stage 2' of the complaints process. The Public Services Ombudsman for Wales <a href="#">Annual Report</a> states 44 complaints were received in respect of Swansea, 1 of which was upheld.</p>	<p style="text-align: center;">             Only one complaint was upheld by the ombudsman         </p>													
<p><b>(29) Attendance at meetings by Councillors</b></p>	<p>Average attendance at Committee meetings (for which agendas are published online excluding scrutiny) has averaged 75.59%. This is an improvement of the attendance of 74% recorded the previous year.</p>	<p style="text-align: center;">  </p>													
<p><b>(30) The gender of Councillors (% female)</b></p>	<p>The Member Support Unit recorded 72 members of whom 27 or 37.5% are female councillors. This statistic has not changed. However, Cabinet consists of 10 Members, 4 of whom are female, including the Deputy Leader. This represents an increase in female leadership.</p>	<p style="text-align: center;">  </p>													
<p><b>(31) The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence (CHR/002)</b></p>	<p style="text-align: center;"><b>Number of Working days /shifts per full time employee lost to sickness absence</b></p>  <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Number of Working days /shifts per full time employee lost to sickness absence</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>11.55</td> </tr> <tr> <td>2012/13</td> <td>11.32</td> </tr> <tr> <td>2013/14</td> <td>8.79</td> </tr> <tr> <td>2014/15</td> <td>9.56</td> </tr> <tr> <td>2015/16</td> <td>10.2</td> </tr> </tbody> </table>	Year	Number of Working days /shifts per full time employee lost to sickness absence	2011/12	11.55	2012/13	11.32	2013/14	8.79	2014/15	9.56	2015/16	10.2	<p>The Council aims to be an excellent organisation to work for and in, by creating a culture that encourages employees to attend work and in doing so provides the best possible services to our customers.</p> <p>Early intervention and preventative approaches include the delivery of mandatory Employee Health and Wellbeing training to 539 managers, stress management interventions monthly Health Fairs and a proactive, supportive professional occupational health service.</p>	<p style="text-align: center;">   <i>Increased supportive contact with employees with short term sickness is planned for 2015/16</i> </p>
Year	Number of Working days /shifts per full time employee lost to sickness absence														
2011/12	11.55														
2012/13	11.32														
2013/14	8.79														
2014/15	9.56														
2015/16	10.2														

*Closer collaboration with external agencies/providers to ensure the wellbeing culture of the authority continues to grow.*

Innovative approaches include the volunteer based 'Helping Hands' service which delivers mindfulness & yoga workshops and groups, and a therapy garden) and social inclusion groups such as walking club and staff events.

**(32) The gender of senior staff (% female)**



**Gender of Staff in the Non-School Workforce**



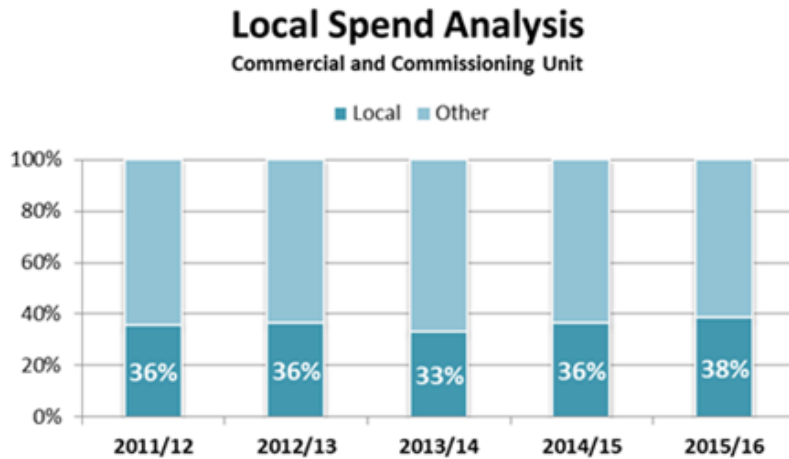
*The general workforce columns exclude employees on alternative salary schemes (e.g. Soulbury). CEO, Directors and HOS are also on a separate scheme. \*Principal Officers are based on Salary points 36-55. This data is based on ISIS Non schools workforce data on 4 April 2016 (includes educational psychologists, advisors, inspectors and social workers).*



*The percentage of female staff has increased from 62% to 68%. The percentage of women acting as Heads of Service has also increased by 6%. The balance in other management and leadership roles has remained static.*

Procurement	Information, Initiatives and Targets	Progress
<p><b>(33) Increase in the number of projects with social benefit clause &amp; Beyond Bricks and Mortar in their contracts (BBMA1)* now includes previous indicator 34 as same outcomes)</b></p>	<p>The Beyond Bricks and Mortar scheme uses social benefit clauses in public sector contracts to maximise benefits of Council's regeneration programme by providing work experience, jobs and training for the economically inactive and unemployed. Collaborative work with the Local Service Board and Economic Regeneration Partnership resulted in 20 projects in 2015/16. This equates to £43.95million in value. Social benefit clauses have resulted in over 1800 person weeks of training taking place during the financial year and 48 new people benefiting from opportunities to train and work.</p> <p>This indicator includes both Council and wider public sector contracts. It has merged with the previous indicator measuring the Increase in the number of appropriate Council contracts that contain social benefit clauses (BBMA2). This reflects increased collaborative working and integration in Swansea's public sector.</p> <p>Preparation work was completed in 2015/16 for the Swansea Community Benefit Policy. This Council policy formally extends the scope of the Beyond Bricks and Mortar Initiative beyond construction to services and supply contracts such as social services. It ensures that Community Benefit Clauses are written into all procurement activities where community benefits add value maximising the opportunities for Swansea.</p>	<p></p> <p><i>This is an increase of 1 on the previous year's 19 projects.</i></p>
<p><b>(34) Percentage of e-invoices as a percentage of total invoices</b></p>	<p>E-Invoices refer to transactions where invoices are electronically received and processed resulting in a more effective use of human, financial and natural resources. Additionally included are internal interfaces and Purchasing Card transactions from departments. Electronic transactions result in efficiencies and reduced environmental impact. While this year's target of 40% was not achieved, there was a significant increase of 4%. The forthcoming rollout of a new invoice solution and employment of an e-procurement officer is expected to further increase the use of e-invoicing in future years.</p>	<p></p> <p><i>Increased to 37% of transactions</i></p>

**(35) Percentage of procurement spend on local suppliers**



2015/16 saw a £4 million increase in spend with local suppliers from SA1 to SA9. The table below shows almost 4% more in absolute terms was spent than the previous year.

This is an increase of almost 20% since the measure was first recorded in 2011/12 demonstrating real progress over a period in supporting Swansea's economy.



*2% increase on the previous year's spend on local suppliers (expressed as a percentage of the total amount spent with all suppliers each year).*

	2011/12	2012/13	2013/14	2014/15	2015/16
<b>Local Spend</b>					
<b>Increase since 2011/12</b>					
<b>£</b>	Base year	£7,705,363	£9,529,625	£14,373,756	£18,528,474
<b>%</b>	Base year	9.76%	11.00%	16.25%	19.85%

For further information please visit [www.swansea.gov.uk/sustainabledevelopmentreporting](http://www.swansea.gov.uk/sustainabledevelopmentreporting)

## Report of the Chief Executive

Council - 22 September 2016

### APPOINTMENT OF CHIEF TRANSFORMATION OFFICER

<b>Purpose:</b>	To seek ratification of the recommendation from the Appointments Committee regarding the appointment of the Chief Transformation Officer following the recruitment and selection process undertaken.
<b>Policy Framework:</b>	Council Constitution
<b>Reason for Decision:</b>	To confirm the appointment of the Chief Transformation Officer
<b>Consultation:</b>	Human Resources, Legal, Finance and Access to Services
<b>Recommendation:</b>	That the candidate recommended by the Appointments Committee is confirmed in post.
<b>Report Author:</b>	Steve Rees
<b>Finance Officer:</b>	Mike Hawes
<b>Legal Officer:</b>	Carolyn Isaac
<b>Access to Services</b>	Sherill Hopkins

#### 1. BACKGROUND

The Chief Transformation Officer is a non-statutory post as per Section 2 (7) of the Local Government and Housing Act 1989. In accordance with the provisions of the City and County of Swansea's JNC Officer Appointment Procedure the successful candidate must be confirmed in post by Council following the appointment by the Appointments Committee.

#### 2. APPOINTMENT OF CHIEF TRANSFORMATION OFFICER

The Appointments Committee at their meeting on 25 August 2016 recommended Ms Sarah Caulkin be appointed as Chief Transformation Officer. Ms Caulkin has been in this post on an interim basis since June 2016.

### **3. FINANCIAL IMPLICATIONS**

The cost of the post is allowed for in the revenue budget for 2016/2017.

### **4. LEGAL IMPLICATIONS**

There are no additional legal implications in addition to those mentioned in the body of this report.

### **5. EQUALITIES AND ENGAGEMENT IMPLICATIONS**

There are no equalities implications associated with this report.

**Background Papers:** None

**Appendices:** None

# Agenda Item 17.

## Report of the Cabinet Member for Transformation and Performance

Council – 22 September 2016

### MEMBERSHIP OF COMMITTEES

**Purpose:** Council approves the nominations/amendments to the Council Bodies.

**Policy Framework:** None.

**Consultation:** Political Groups.

**Recommendation:** It is recommended that:

- 1) the amendments to the Council Bodies listed in paragraph 2 be approved.

**Report Author:** Gareth Borsden

**Legal Officer:** Tracey Meredith

**Finance Officer:** Paul Cridland

**Access to Services Officer:** N/A

#### 1. Introduction

- 1.1 Meetings of Council regularly agree and amend the membership of the various Committees/Council Bodies as reflected in the lists submitted by the Political Groups.

#### 2. Changes to Council Body Membership

- 2.1 The political groups have indicated that they have changes to the following Council Bodies:

##### Rota Visits

Remove Councillor R D Lewis

#### 3. Financial Implications

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

#### 4. Legal Implications

- 4.1 There are no legal implications associated with this report.

**Background Papers:** Local Government & Housing Act 1989, the Local Government (Committees & Political Groups) Regulations 1990.

**Appendices:** None

# Agenda Item 18.

## Report of the Chair of the Scrutiny Programme Committee

Council – 22 September 2016

### SCRUTINY DISPATCHES – QUARTERLY IMPACT REPORT

Purpose:	To present the quarterly report from the committee to Council on the impact of scrutiny
Report Author:	Brij Madahar, Scrutiny Coordinator
Finance Officer:	Carl Billingsley
Legal Officer:	Wendy Parkin
Access to Services Officer:	Sherill Hopkins
<b>FOR DISCUSSION</b>	

#### 1.0 Introduction

- 1.1 The Scrutiny Programme Committee is responsible for the overall work programme, including the various informal scrutiny activities, and monitoring progress to ensure that the work is effective.
- 1.2 The committee is also concerned about improving communication and public engagement, and getting more coverage in the media so that the public are more aware of the work of scrutiny.
- 1.3 In order to provide ‘headlines’ from scrutiny activity and give the work of scrutiny greater visibility, both for council and public audience, a quarterly ‘Scrutiny Dispatches’ report is published.

#### 2.0 Scrutiny Dispatches

- 2.1 ‘Scrutiny Dispatches’ is intended to demonstrate scrutiny achievements and outcomes. It is effectively a regular report about impact and how scrutiny is making a difference, rather than a descriptive account of scrutiny activities. The aim is to focus on and promote a small number of ‘significant stories’. A chair’s roundup is also featured to highlight other work.
- 2.2 The quarterly report is attached for Council discussion – see **Appendix 1**.



- 2.3 As well as being a report to Council the content will be shared more widely, with advice and support from the Council's Communications Team and utilising social media. This should help raise awareness of the work and impact of scrutiny, and hopefully encourage more public engagement and participation in scrutiny. It is anticipated that some of the impact stories within Scrutiny Dispatches will generate press releases.
- 2.4 In order to ensure that people are informed more generally about the work of scrutiny a monthly information list is also being produced. This list is shared via an email subscription, and includes details of:
- Forthcoming panel and working group meetings
  - Topics being looked at by scrutiny
  - Progress with current activities

### **3.0 Equality & Engagement Implications**

- 3.1 There are no specific equality and engagement implications raised by this report.

### **4.0 Financial Implications**

- 4.1 There are no specific financial implications raised by this report.

### **5.0 Legal Implications**

- 5.1 There are no specific legal implications raised by this report.

## **FOR DISCUSSION**

**Background papers:** None

**Appendices:**

Appendix 1 – Scrutiny Dispatches

# Scrutiny Dispatches

City & County of Swansea – 2016/2017 (No. 1)

‘How scrutiny councillors are making a difference’

## ‘Swansea’s dedication to open, transparent and innovative scrutiny’

*(Lead: Councillor Mary Jones)*

Swansea Scrutiny has been identified as amongst the best in the UK following recognition by the Municipal Journal, the leading information, intelligence and news resource about the UK’s local authorities.

The yearly [Municipal Journal Awards](#) (otherwise known as the ‘local government Oscars’) recognise and celebrate local government achievements. Swansea Council beat off competition from other local authorities to be shortlisted for the award for Excellence in Governance and Scrutiny. Swansea made the final six though unfortunately missed out on the top prize. That shouldn’t detract from the real achievement of being a finalist and pride in the strength of scrutiny arrangements here, and how we are making a difference. It shows how far we’ve come!

The shortlisting reflects the Council’s ‘agile’ approach to scrutiny work – less of the work is done in formal committees and more by flexible working groups. It has also attracted attention from other councils. This approach allows councillors to spend more time getting to grips with the most important issues and to respond quickly to issues of public concern. When Swansea Council introduced a single committee for scrutiny in November 2012 the idea was simple – to have a model that was member led, responsive, flexible and able to involve every backbench councillor according to their interests. The benefits of a single rather than multi committee system are well known but this idea has been developed and refined into an effective and distinctive approach. What makes the Swansea approach different are the five principles that underpin it:

1. The highest priority is holding the whole Cabinet to account through an ongoing public conversation
2. Every scrutiny councillor has the opportunity to contribute according to their interests
3. Be flexible with the work plan in the best interests of citizens
4. Simplicity is essential for engagement
5. Regular reflection on how to be more effective followed by improvements

In developing our agile model we have brought in a number of innovations that have helped to improve accountability, work planning and public engagement. Ultimately good scrutiny should make a difference for citizens and councillors – we believe our model does exactly that.

The Award Judging Panel had this to say about our award submission:

“Swansea’s dedication to open, transparent and innovative scrutiny supports councillors to work in flexible ways that are visible to the public and positively impact decisions and outcomes. The Council can, in the view of judges, clearly demonstrate how its approach to governance is adding value to way key services are planned and delivered.”

Councillor Mary Jones, Chair of the Scrutiny Programme Committee says:

“I am delighted that we have been shortlisted for this national award. It reflects the hard work that scrutiny councillors have been willing to put in to improve services and make a difference to their communities. This shortlisting also reflects the engagement of councillors across parties and their support for the system – it is a real team effort.”

## Encouraging a can do culture from day one

*(Lead: Councillor Andrew Jones)*

The importance of having a can do attitude is being stressed to Council staff from the day they start a new job as part of their Council induction.

This is one of the steps being taken to develop and improve the culture of the Council following a report by scrutiny councillors. The report looked at staff engagement, bullying and harassment, employee behaviours and the staff suggestions scheme.

Some of the recommendations in the report included:

- Take steps to ensure new staff receive corporate induction within 1 month of starting work with the Council
- Embrace a wide range of innovation methods to bring about changes to the way that organisation works
- Ensure managers incorporate innovation into staff appraisals, 1-2-1s and team meetings
- Encourage Senior Managers to undertake 'back to the floor' type activities

Councillors recently met to consider what impact their report has had. They heard that significant work continues to be done to advance and embed the work of the Innovation Programme which is the focus for the Council's work on cultural change.

The [inquiry report](#) has enabled the programme to focus its efforts and resources in specific directions for example upskilling staff in innovation tools and techniques.

The follow up report from the Cabinet Member for Transformation & Performance highlighted that achieving and embedding a 'can do' corporate culture is an ongoing and long term process. His report also includes an [action plan](#) giving progress on recommendations implemented.

Councillors were pleased to hear that the inquiry had provided a focus for improvement in the area of corporate culture and will continue to be a checklist for future work.

The Wales Audit Office has also contacted us in order to feature this piece of scrutiny for sharing as best practice across Wales.

## Raising concerns about lost trees

*(Lead: Councillor David Cole)*

Scrutiny councillors have raised concerns about trees not being replaced in Swansea.

Trees are an essential part of the urban landscape and the Council carries important work out to ensure that trees are protected and preserved.

Scrutiny councillors recently discussed the Council's responsibilities for preserving trees and the significant environmental benefits of urban trees.

In a [letter](#) to the Cabinet Member scrutiny councillors highlighted the importance of an effective tree preservation service. They also recommended that prosecutions for breaching tree preservation orders are publicised, that the parks service set up their own tree nursery and that Council departments replant trees that are removed during the course of their work.

## The scrutiny annual report for 2015/16

*(Lead: Councillor Mary Jones)*

A summary of the work of scrutiny during the last year is now available. Our annual report has been prepared and was presented to Council in July.

The [scrutiny annual report](#) is set out as a simple scorecard, which highlights a small number of key indicators to illustrate 4 performance questions, reflecting a 'results based' approach. The report shows:

- How much scrutiny we did
- How well we did it
- How much we affected the business of the Council
- The outcomes of scrutiny

Whilst the MJ Award shortlisting is the highlight of the year, a number of our performance indicators are showing improvement, such as: the number of meetings; the number of councillors involved; the number of Cabinet reports subjected to pre-decision scrutiny; the number of recommendations being accepted; and, the level of understanding amongst staff of the work of scrutiny.

The report is informed by results from an annual scrutiny survey and feedback from those involved, including external inspectors.

### Chair's Roundup:

This is my first quarterly roundup of the work of [scrutiny](#) for 2016/17.

#### Choosing our priorities for 2016/17

We held our annual scrutiny work planning conference in May to help us to focus on the right things, and taking into account the ideas shared about future scrutiny activities the committee has agreed new work for the coming year. Councillors considered a range of inputs including:

- Review of last year's work plan
- The Council's corporate priorities (provided by Mike Hawes, Corporate Director for Resources)
- Suggestions and ideas from Cabinet, the public, staff, partners and from councillors (via survey)

The Scrutiny Programme Committee has agreed to arrange new potential in-depth inquiries into Partnerships & Collaboration, and Preparedness for School. There will also be one-off Working Groups on Planning, Roads & Highways Maintenance, Corporate Building Services and Digital Inclusion.

#### Scrutiny of Swansea Public Services Board

Following the move from Local Service Boards to Public Service Boards, in line with the Wellbeing of Future Generations Act, the Committee has established a multi-agency Public Services Board Scrutiny Performance Panel to discharge its responsibility. Taking into account the requirements of the Act and Guidance, the Scrutiny Panel will be a body of 12 members, including six scrutiny councillors and six invited non-executives from local partner agencies. Following recruitment of external members the Scrutiny Panel meets for the first time on 28 September. Over the course of its work the Panel will be considering what difference the [Swansea Public Services Board](#) is making for citizens. The conclusions of the previous Local Service Board Scrutiny Panel are contained within a [letter](#) to the Chair of the Local Service Board, Cllr Rob Stewart.

## **New Adult Services Performance Panel**

Another new Performance Panel has been set up following the conclusion of the work of the Transformation of Adult Social Services Panel. The Adult Services Scrutiny Performance Panel, will mirror the approach of the Child & Family Services Performance Panel to regularly review, monitor and challenge service performance. The convener of the Panel is Councillor Uta Clay.

## **Working on in-depth inquiries**

Final reports on the Child & Adolescent Mental Health Services and Building Sustainable Communities Inquiries are expected soon. These reports will come before the Committee before being presented to Cabinet for decision. The Tackling Poverty Inquiry has just started and will run until December.

## **Scrutiny of Commissioning Reviews**

One of the ways in which scrutiny can hold the cabinet to account is to carry out pre-decision scrutiny. This means questioning Cabinet Members on [proposals](#), e.g. rationale, potential impact / implications, options considered, consultation undertaken, and presenting views to Cabinet ahead of decisions. We usually reserve pre-decision scrutiny for matters taking into account strategic impact, public interest and financial implications. Over the course of the year we are going to be looking at all Commissioning Review reports prior to Cabinet decision. These are significant decisions about the future of our services, under the backdrop of financial pressures and sustainability. The Service Improvement & Finance Performance Panel kicked things off with a look at the Waste Management Commissioning Review in June.

## **Holding Cabinet Members to account**

Each month's Scrutiny Programme Committee meeting features a Q & A session with a Cabinet Member in order to hold them to account for their work. As I write we are due to meet with the Cabinet Member for Education in August and Cabinet Member for Anti-Poverty in September. Acting as a 'critical friend' we question and challenge them on their priorities, actions, achievement and impact. We invite members of the public and all scrutiny councillors to contribute ideas to ensure the committee asks the right questions. A summary of each session and views of the committee are published in the form of letter to relevant Cabinet Members. We have recently put questions to the Cabinet Members for Enterprise, Development & Regeneration, Environment & Transportation, Services for Children & Young People, and Wellbeing & Healthy City.

## **Working in different ways to look at some issues**

Adopting a more light-touch approach, one-off Working Groups are set up to look at some topics. However there is flexibility where further work is necessary. The work of the [Tethered Horses Working Group](#) has now come to a close. Generating a lot of partner and public interest, the Group has passed its recommendations to Councillor Mark Child, Cabinet Member for Wellbeing & Healthy City. It responds to a petition that was made to the Council to ban the tethering of horses on public land. The Working Group recognised arguments for and against, but in the common interest of horse welfare the way forward was a piloted implementation of a ban that combines enforcement and education. The Cabinet Member is planning to meet with all interested groups to work out the best way in which this can be achieved.

## **Making the work of scrutiny more transparent and accessible**

Just a reminder about our on-line '[publications page](#)' for easy access to all scrutiny agenda packs, reports and letters as well as responses from Cabinet Members.

### **Connect with Scrutiny:**

Gloucester Room, Guildhall, Swansea. SA1 4PE (Tel. 01792 637732)

**Web:** [www.swansea.gov.uk/scrutiny](http://www.swansea.gov.uk/scrutiny)

**Twitter:** @swanseascrutiny

**Email:** [scrutiny@swansea.gov.uk](mailto:scrutiny@swansea.gov.uk)

**Bulletin Board:** [www.swanseascrutiny.co.uk](http://www.swanseascrutiny.co.uk)

# Agenda Item 19.

Council – 22 September 2016

## COUNCILLORS' QUESTIONS

### PART A – SUPPLEMENTARIES

1.	<p><b>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard &amp; G D Walker</b></p> <p>Could the Cabinet Member update Council on the progress of asset transfer. Which Council assets have been successfully sold/ transferred and which still remain in the process.</p> <p><b>Response of the Cabinet Member for Transformation &amp; Performance</b></p> <p>The process of asset transfer specifically relating to community assets is one that is now governed by an agreed protocol to speed up and simplify the process.</p> <p>The mechanism for transferring assets for local groups to undertake services on Council owned buildings can form a number of different legal basis but primarily either by way of a lease or licence.</p> <p>Formal lease agreements have been granted on Forge Fach Clydach, Craigfelin Hall Clydach and Swansea Indoor Bowls Centre and there are a large number of potential transfers currently in progress for a variety of parks, bowling greens, pavilions and public toilets.</p> <p>Furthermore, all 39 Community Centre and Senior Citizen Pavilions (now known as Community Buildings) are now managed by local groups under existing licence agreements.</p>
2.	<p><b>Cllrs P M Black, A M Day, M H Jones</b></p> <p>Will the Cabinet Member provide an update on the Council's school modernisation programme.</p> <p><b>Response of the Cabinet Member for Education</b></p> <p>The local authority is continuing to deliver the remaining school investment priorities within the total funding available through the Welsh Government's approved Band A capital investment programme. This will further build on the considerable benefits already apparent through major completed schemes such as the new-build facilities for Burlais and Gowerton Primary Schools.</p> <p>There remains a lack of clarity regarding the scale and nature of the future Welsh Government 21<sup>st</sup> Century Schools Programme. However, the Education Department is preparing to formulate appropriate options for consideration by Cabinet for capital investment beyond Band A, and will over future months, be contacting schools to arrange site visits to assist with that process.</p>

	<p>Schools, and their governing bodies, can be assured that they will have a number of opportunities to shape the direction of travel, as they have done in the past, and that all future projects will continue to focus on areas such as educational standards, condition, suitability, the need for school places and deliverability.</p>
3.	<p><b>Cllrs P M Black, C A Holley, J W Jones</b></p> <p>Will the Cabinet Member make a statement on how the Council is seeking to capitalise on Wales' success in the European Championships.</p> <p><b>Response of the Cabinet Member for Wellbeing &amp; Healthy City</b></p> <p>Since Swansea City's promotion to the Premier League in 2011, the profile of football within the county has been at an all-time high. The lessons and successes of this experience have helped in the continuing development of football following the national team's success at the Euro's.</p> <p>Key issues;</p> <p><b>Improved Facilities</b> - The development of 3G artificial grass pitch facilities strategy, which will provide guaranteed training and fixture venues throughout the season even in the poorest of weather conditions. Confirmed new facilities will be at Penyrheol and Morriston Community Leisure Centres/Comprehensive Schools, with the potential for further facilities in the future.</p> <p><b>New Programmes</b> - Our Active Young People team are launching a "Play more football" project in schools aimed at targeting specific groups such as girls, BME community; The ParkLives and Us Girls initiatives are delivering free girls football sessions – in partnership with the Welsh Football Trust as part of their Girls Football Programme, and further football opportunities are being provided such as walking football and street football in selected parks, open spaces and community buildings through local ParkLives and StreetGames sessions.</p> <p><b>Stronger clubs</b> - The key to increased participation lies with local community clubs and it is here that the Authority has the biggest influence. The self-management of parks pitches by community clubs has begun, whereby clubs will have more ownership of their facilities by carrying out practical match-day duties. There are currently 14 self-managed sites. £5k allocated to football clubs so far in 2016, following two Community Chest Panel meetings, with a further five applications to be considered at the September meeting.</p> <p><b>Better Partnerships</b> - with the Welsh Football Trust who lead the national football development strategy and also with local senior and junior leagues and clubs.</p> <p><b>Active Swansea</b> - Active Swansea sites have already noticed an increase in demand for football with dedicated summer programmes being well attended. The introduction of the new 3G facilities at Bishopson in September has already resulted in a huge demand for the facilities from Junior / Senior and Girls</p>

	<p>football clubs and with the intention of running junior leagues at weekends we hope to cater for the extra demand</p>
4.	<p><b>Cllrs P M Meara, C A Holley, A M Day</b></p> <p>In the light of the EU referendum result, could the Cabinet Member report to Council the current state of twinning arrangements between Swansea and other European cities.</p> <p><b>Response of the Cabinet Member for Enterprise, Development &amp; Regeneration</b></p> <p>Swansea is twinned with:</p> <p>Mannheim, Baden-Württemberg, Germany  Sinop, Turkey  Pau, Pyrénées-Atlantiques  Nouvelle-Aquitaine, France  Cork, County Cork, Munster, Ireland  Bydgoszcz, Kuyavian-Pomeranian Voivodeship, Poland.</p> <p>The European and External Funding Team is currently developing the following projects with other European cities:</p> <ol style="list-style-type: none"> <li>1. Development of Interreg Ireland-Wales Cooperation Programme projects with the city of Cork and Swansea University: <ul style="list-style-type: none"> <li>• <u>Heritage Trails</u> project to develop one heritage trail in both Swansea and Cork.</li> <li>• <u>Exportable</u> project working with start-up SMEs from Swansea and Cork seeing to enter new markets(with Cork Institute of Technology)</li> </ul> </li> <li>2. A proposal investigating support mechanisms for technology businesses emerging from the further and higher education sectors and how best to accommodate their needs in the city is being worth on with a network of cities across Europe with similar development aims: <p style="margin-left: 40px;">Leon, Spain  Alytus, Lithuania  Magdeberg, Germany  Opole, Poland  Ioannina, Greece  Valmiera, Latvia  Meath, Ireland</p> </li> </ol> <p>It is hoped a proposal can be submitted to the Interreg Europe programme by the end of 2016 subject to a call for proposals being announced by the programme secretariat in November/December 2016.</p>



5. **Councillor P N May**

Since the new legislation came into force in February only one HMO has been refused planning permission. This was when I successfully challenged the application on parking grounds at the planning committee on August 2nd this year.

The number of HMOs that have had planning permission accepted since February is already well into double figures. When recommending approval almost every report contains a stock sentence saying: "*It is considered that the Local Planning Authority has no evidence to suggest that the use of this property as a HMO would result in a harmful concentration of HMOs within this area.*"

The reason for this is that there is no specific definition of what density or what a harmful concentration actually is. To remedy this Supplementary Planning Guidance is needed and urgently. Until the Supplementary Planning Guidance is passed, the new legislation from the Welsh Government is as much use as a chocolate teapot in Swansea. All it has done is invite more applications for smaller HMOs which are, in the norm, being routinely passed.

Cardiff Council have already issued a draft document in April and have received the consultations back in June. A link to the document is here:

<https://www.cardiff.gov.uk/ENG/resident/Planning/Planning-Policy/Supplementary-Planning-Guidance/Documents/HMO%20SPG%20Consultation%20Draft%20April.pdf>

This gives an itemised and tailor made numerical percentage of allowable density of HMOs per street. Planning officers and committees will be able to refuse or accept applications on that basis.

At the time of writing this question Swansea Council has not even produced a draft document for consultation.

When will the Supplementary Planning Guidance be approved in Swansea (an answer in months or years will suffice)

**Response of the Cabinet Member for Enterprise, Development & Regeneration**

Now that the council key priority of progressing its LDP to deposit stage has reached public consultation it is now able to look to produce an holistic and comprehensive strategy and detailed planning policy framework to be adopted as supplementary planning guidance. This will assist the determination of planning applications for HMOs (to accommodate students and other shared living residents) and built student accommodation developments in Swansea, having regard to the likely increase in such demand and the expansion plans of Swansea's Universities. The work would be carried out in accordance with the following:

Stage	Date
<p>Assemble background information and draft SPG document with engagement across Council departments and with Members, having regard to comments made during LDP consultation.</p> <p>Administration procedures and begin consultation planning and preparation. Complete Planning Committee report and obtain all sign offs</p>	<p>Sept-Nov 2016</p>
<p>Report document to Planning Committee for endorsement of the draft SPG and permission to undertake public consultation</p>	<p>Dec 2016</p>
<p>6 week public consultation</p>	<p>Jan- Feb 2017</p>
<p>Make necessary SPG amendments, write up statement of consultation, complete Planning Committee report and get all sign offs, translation of SPG amendments. Report back to Planning Committee for final adoption</p>	<p>March/April 2017</p>
<p>6.</p>	<p><b>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard &amp; G D Walker</b></p> <p>Wales has seen a decline over the last 14 years in the uptake of modern languages at both GCSE and 'A' level. Could the Cabinet Member indicate what she believes to be the reason for this decline. Could she also list which schools/colleges in Swansea offer 'A' level German.</p> <p><b>Response of the Cabinet Member for Education</b></p> <p>There are currently no schools/colleges in Swansea offering A level German. 23 pupils received GCSE results for German in 2015-2016 (offered by two schools). Languages have declined for a number of years, and to some extent, other subject areas have replaced them – particularly vocational options.</p> <p>Community languages remain fairly strong, mainly due to the increasing numbers of English as an additional language (EAL) pupils who take a GCSE in their home language. Modern foreign languages (MFL) are being targeted to encourage pupil uptake. Regionally, an officer has been employed to lead on the promotion of MFL in schools. There is also a clear aim nationally by the Welsh Government (WG) to attempt to stem this decline in MFL take-up. In July the WG published their response to Estyn's recommendations on improving MFL provision.</p>
<p>7.</p>	<p><b>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard &amp; G D Walker</b></p> <p>Could the Cabinet Member inform Council how many units of student</p>

	<p>accommodation are being constructed in the city centre, including the Tawe River Corridor and Townhill. Additionally, how many other residential units in the city centre will be delivered over the lifespan on the LDP and where.</p> <p><b>Response of the Cabinet Member for Enterprise, Development &amp; Regeneration</b></p> <p>Records show that there is currently one purpose built block of student accommodation being constructed, this being development of land at New Cut/Morfa Road, Swansea. The original planning application approved <b>967 student accommodation units</b> at the site (2007/2829). Approved purpose built developments since 2010 include:</p> <ul style="list-style-type: none"> <li>· 2014/0183 – Park Buildings, 2 Park Street, Swansea – <b>24 self-contained student bedsits</b></li> <li>· 2016/0556 – Mariner Street Car Park, Swansea – <b>725 bedrooms</b> (Approved subject to Section 106 Agreement)</li> </ul> <p>Current applications proposing ‘construction’ of student accommodation are:</p> <ul style="list-style-type: none"> <li>· 2016/1573 – Land at the former unigate site, morfa road, Swansea – <b>up to 1212 bedrooms</b></li> <li>· 2016/1511 – Plot A1, Swansea Waterfront, Swansea – <b>506 bed spaces</b></li> <li>· 2016/1333 – Site J, Trawler Road, Swansea – <b>287 bedrooms</b></li> </ul> <p>This excludes any ‘conversion’ schemes (including applications for HMOs) or schemes that have been subject of any pre-application advice.</p> <p>LDP Policy SDJ projects 1000 dwellings would be created within the Central Area over the Plan period. The Policy reflects the adopted Swansea Central Area Regeneration Framework (2015) and the development areas included therein.</p>
8.	<p><b>Cllrs A M Day, M H Jones, C A Holley</b></p> <p>Will the Cabinet Member for Education undertake and publish the results of a survey of all primary and secondary schools in Swansea on the effect of the budget proposals for 2016/7, showing the amount of any increase or reduction in funding for each school, and the number of voluntary and compulsory redundancies for teaching and no-teaching staff, together with the number of employees whose contracts have not been renewed.</p> <p><b>Response of the Cabinet Member for Education</b></p> <p>The Appendix A compares the funding received by each school from 2015-2016 to 2016-2017. This includes post-16 funding but excludes the Pupil Deprivation Grant. The figures also reflect significant further areas of delegation of both funding and responsibilities to schools amounting to £2.3m in total. The analysis also identifies the change in pupil numbers as this is generally the most significant other factor affecting the relative funding between years.</p>

	<p>While schools have seen an overall cash increase, reflecting a continuing prioritisation by the Council, schools are also facing significant additional spending pressures in relation to pay awards and increased pension and national Insurance contributions. This represents a net overall real-terms reduction in funding, as explained fully in the 2016-2017 revenue budget report approved by Council.</p> <p>Appendix B outlines all staff leavers from our schools for the last academic year. In addition to this information regarding redundancies, our records show 112 temporary/relief contracts were not renewed during the academic year 2015-2016. It is not possible to identify those that left of their own accord and those that did not have their contract extended</p> <p>Decisions on staffing matters are of course the responsibility of each governing body.</p>
9.	<p><b>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard &amp; G D Walker</b></p> <p>The Guildhall is a listed building and sits on a site that helps to enhance its appearance. The Council regularly mows the grass in front of the Guildhall but street furniture in the area is looking shabby and the flagpole needs repairing as well as a coat of paint. Can the Cabinet member inform Council when this work is going to be carried out.</p> <p><b>Response of the Leader</b></p> <p>Due to the cuts in Government funding the situation around general maintenance remains extremely challenging as resources are focused on the council's priorities of Education and Social care.</p> <p>In terms of use of resources it is important that community priorities are dealt with before places around civic buildings. The establishment of Community budgets has allowed councillors to respond more quickly and more effectively to fund and deliver community priorities.</p> <p>With regards to the Guildhall street furniture, these are currently being reviewed and if it is considered there any issues that comply with the agreed condition criteria they will be actioned.</p> <p>More specifically with regards to the flagpole, there are sufficient flagpoles to the front of the Guildhall and the Brangwyn Hall for the required flags to be flown in- line with the protocol. The flagpole in the centre of the rotunda has not been utilised for a number of years and any maintenance work would be measured against the criteria mentioned above.</p>
10	<p><b>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard &amp; G D Walker</b></p>

There have been several reported 'attacks' by seagulls in the city centre over the past few months with one resulting in a member of the public being taken to hospital. Could the Cabinet Member inform Council what action is being taken to discourage seagulls from populating the city centre.

**Response of the Cabinet Member for Enterprise, Development & Regeneration and Cabinet Member for Environment & Transport**

Given its sea-side location the City Centre has a significant seagull population which gives rise to periodic complaints from the public particularly during the nesting season which extends from April to July.

Among the causes for concern are attacks by gulls, damage to property and litter and cleaning issues as a result of scavenging birds.

Legally, whilst the Council has no obligation to take action, there are clear public health grounds for seagull control. Research shows however that the culling of seagulls is generally unsuccessful, with local gull populations recovering to previous levels in relatively short periods.

The principal legislation dealing with the control of birds is the Wildlife and Countryside Act 1981. Generally, however sea-gulls are protected and it is illegal to capture, injure or destroy any wild bird or interfere with its nest or eggs.

The penalties for disregarding this legislation can be severe. The law does allow measures to be taken against some common species of birds in limited circumstances. Action may only be taken under general licences made under the 1981 Act for the purpose of preserving public health or public/air safety, preventing the spread of disease or for preventing serious damage to livestock, foodstuffs for livestock or crops.

Local authorities across the coast of the UK have tried and tested over the years a number of different methods to deter sea-gulls from nesting and roosting on buildings including the following:

- The use of netting
- Wires, spikes, or electric bird deterrent systems
- The use of sticky pastes on buildings
- Bird scaring devices utilising, for example, recordings of bird distress calls
- Live falcons, egg and nest removal
- Egg replacement

As seagulls have a lifespan of up to 30 years, the rigorous application of these

	<p>techniques is required over an extended period, particularly given that they often return to the same location year after year to nest.</p> <p>In the City Centre there are a number of measures that have been implemented and bird proofing such as nets and spikes can be seen in a number of locations across the area on both public and non-public buildings.</p> <p>An effective measure to control urban gulls is to reduce access to and the availability of food.</p> <p>In this respect shoppers and visitors to the City Centre are being actively discouraged from feeding birds through the deployment of Environmental Enforcement Officers who issue fixed penalty notices for this activity.</p> <p>In addition, City Centre businesses are encouraged through educational and enforcement practices to ensure any food waste generated by their business is presented for collection in suitable receptacles and in an appropriate and timely manner, for example, bins are locked and/or refuse bags are not overfilled and are tied securely.</p> <p>A public education campaign to <i>'Feed the bins not the birds'</i> was launched several months ago in the City Centre which includes PR as well as A4 stickers placed on the bins in high footfall areas. Recently additional stickers have been purchased and rolled out to further locations across the area.</p> <p>Following the completion of the Market roof replacement project earlier in the year, a hawking programme was introduced using a licenced provider Hawksdrift who use live hawks weekly to scare the birds as well as removing the eggs and nest debris. The success of these measures, were which instigated to support the glazing cleaning and roof clearance, are currently under review with a view to potential roll out to other areas. This would however be subject to demonstrating best value given that the approximate costs of this scheme is circa £7.5k per annum.</p>
11	<p><b>Councillor P N May</b></p> <p>HMO licensing officers play a vital part making sure that HMOs are licensed and comply with these licensing conditions. These could include making sure that the front gardens are free from refuse particularly bagged food waste. These bags are inevitably split by gulls causing a health hazard and extra cost to the council to clear any rubbish strewn across the street. Having a sufficient number of HMO officers is important to ensure that these and other elements of the management of the house are complied with.</p> <p>Having too few of them leads to the deterioration of management standards and in particular the streetscene where HMOs are. This is because there is less capacity for an officer to walk the streets and proactively deal with badly managed HMOs. The department then becomes over reliant on complaints from the public or local councillors can only act reactively to solve a problem.</p>

Councils can charge landlords a fee to license properties. This fee is used to carry out the administrative function of licensing including employment of officers.

In 2008, the council took advantage of this and increased the licensing fee and employed three extra licensing officers.

- a. Please can you confirm how many HMO licensing officers there in total were at the point after the 2008 increase took effect?
- b. How many HMO licensing officers are there currently?

In 2016 there was a further increase in licensing fees.

- c. Please can you confirm how many more HMO licensing officers were taken on as a result of this increase?
- d. Please could you provide a breakdown of how the licensing fees were spent (over the last full municipal year 2015-6 will suffice)?
- e. Would the council consider increasing the licensing fee again in the near future as a vehicle to employ more HMO licensing officers?

**Response of the Cabinet Member for Wellbeing & Healthy City**

- a. There were 8 full time equivalent (FTE) inspecting officers after the implementation of the 2008 HMO licensing policy, which included 2 temporary officers who were employed specifically at that time for the initial implementation of the new licensing scheme.
- b. There are currently 5.5 FTE inspecting officers.  
In 2016 there was a further increase in licensing fees.
- c. No more HMO licensing officers were employed as a result of the increase. The fee level was reviewed and set to cover the costs of running the scheme.
- d. Licences are issued for a maximum 5 year period and the fee charged is reflective of the costs to process and administer the licence and scheme over that time. During the 2015 – 2016 financial year fees were used to pay staff salaries involved in the licensing process. The following activities were undertaken during the year:

477 HMO licences were issued  
793 inspections were carried out (full and post-inspection)  
71 licences were varied  
59 licences were revoked  
1,347 complaints/enquiries were investigated/responses provided

The HMO Licensing Policy 2016 was introduced which required a public

	<p>consultation, to which there were 61 individual responses and a review of application forms, supporting documentation and web pages.</p> <p>e. The licence fee was set as part of the introduction of the new HMO Licensing Policy in March 2016 and in accordance with legal requirements limiting fees to 'cost-recovery' for specific functions. An increase in the near future may not therefore be appropriate, but the situation will be kept under close review.</p>
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	<p><b>PART B</b></p>
<p>12.</p>	<p><b>Cllrs A M Day, C L Philpott, T H Rees</b></p> <p>Will the Cabinet Member for Education publish in the Council summons the money each school individually receives under the Pupil Deprivation Grant and ask her to indicate what impact would be on schools in Swansea if the additional funding under the Pupil Deprivation Grant was not available.</p> <p><b>Response of the Cabinet Member for Education</b></p> <p>The attached table provides the total funding received by each school in the current financial year which is based on a set amount for each pupil eligible for free school meals.</p> <p>It is the responsibility of each governing body to ensure that the allocated funding is spent appropriately to benefit pupils in accordance with the grant requirements. Whilst the funding is additional to core delegated school budgets, the total of more than £6.6m is significant, as would be its loss. I am pleased to report that during her recent visit to Cefn Hengoed School to see the impact of PDG partnership work and to congratulate the School on their improvement journey, the Cabinet Member for Education was quite clear she wishes to see this additional funding remain with schools.</p>



# Budget Shares 2016/17

Appendix A

School	Pupil Roll 2015/16	Credit/Debit Budget Share 2015/16	Pupil Roll 2016/17	Budget Share 2016/17	Roll Diff	Budget Difference from 2015/2016	% Roll Change	% Budget Change
Birchgrove Primary	420.1	£1,195,287	420.5	£1,245,586	0.5	£50,299	0.1%	4.2%
Bishopston Primary	287.5	£1,006,346	290.8	£1,045,299	3.3	£38,953	1.2%	3.9%
Blaenymaes Primary	199.4	£783,386	228.4	£848,786	29.0	£65,400	14.6%	8.3%
Brynhyfryd Infants	95.6	£294,646	0.0	£0	-95.6	£-294,646	-100.0%	-100.0%
Brynhyfryd Juniors	94.2	£265,937	0.0	£0	-94.2	£-265,937	-100.0%	-100.0%
Brynhyfryd Primary	259.0	£786,630	445.1	£1,429,022	186.1	£642,392	71.8%	81.7%
Brynmill Primary	296.9	£940,556	318.9	£988,833	22.0	£48,277	7.4%	5.1%
Burlais Primary	532.6	£1,911,322	552.8	£1,978,858	20.3	£67,536	3.8%	3.5%
Cadle Primary	366.3	£1,208,071	354.1	£1,247,938	-12.2	£39,867	-3.3%	3.3%
Casllwchwr Primary	217.8	£676,147	206.3	£666,775	-11.4	£-9,372	-5.2%	-1.4%
Christchurch Primary	136.6	£457,585	137.8	£482,296	1.1	£24,711	0.8%	5.4%
Cila Primary	132.2	£476,793	140.4	£520,479	8.2	£43,686	6.2%	9.2%
Clase Primary	235.0	£1,202,000	261.7	£1,348,455	26.8	£146,455	11.4%	12.2%
Clwyd Community Primary	289.3	£1,372,306	293.8	£1,487,125	4.5	£114,819	1.6%	8.4%
Clydach Primary	190.7	£702,960	207.5	£742,659	16.8	£39,699	8.8%	5.6%
Craigcefnparc Primary	77.3	£307,258	69.0	£331,671	-8.2	£24,413	-10.7%	7.9%
Craigfelen Primary	154.0	£597,801	160.3	£610,862	6.3	£13,061	4.1%	2.2%
Crwys Primary	167.0	£632,737	154.5	£616,336	-12.5	£-16,401	-7.5%	-2.6%
Cwm Glas Primary	265.4	£937,376	266.2	£950,911	0.8	£13,535	0.3%	1.4%
Cwmrhydyceirw Primary	448.6	£1,274,435	458.5	£1,345,941	9.9	£71,506	2.2%	5.6%
Danygraig Primary	257.3	£957,807	239.3	£998,078	-18.0	£40,271	-7.0%	4.2%
Dunvant Primary	288.3	£873,856	304.1	£947,610	15.8	£73,754	5.5%	8.4%
Gendros Primary	290.3	£895,882	285.3	£879,135	-5.0	£-16,747	-1.7%	-1.9%
Glais Primary	104.4	£389,790	107.9	£402,506	3.5	£12,716	3.4%	3.3%
Glyncollen Primary	221.5	£703,235	224.7	£741,674	3.2	£38,439	1.4%	5.5%
Gors Community Primary	264.7	£892,152	274.2	£948,940	9.5	£56,788	3.6%	6.4%
Gorseinon Primary	328.4	£1,095,166	302.6	£1,059,385	-25.8	£-35,781	-7.9%	-3.3%
Gowerton Primary	350.3	£1,140,494	365.7	£1,158,087	15.4	£17,593	4.4%	1.5%
Grange Primary	216.3	£737,024	208.0	£763,206	-8.3	£26,182	-3.9%	3.6%
Gwrosydd Primary	441.0	£1,543,052	431.2	£1,570,215	-9.8	£27,163	-2.2%	1.8%
Hafod Primary	220.3	£778,118	219.7	£848,828	-0.6	£70,710	-0.3%	9.1%
Hendrefoilan Primary	224.6	£687,830	224.2	£704,153	-0.4	£16,323	-0.2%	2.4%
Knelston Primary	116.2	£408,495	117.2	£430,925	1.0	£22,430	0.9%	5.5%
Llangyfelach Primary	190.8	£611,314	200.8	£685,346	10.0	£74,032	5.2%	12.1%
Llanrhidian Primary	124.5	£439,356	136.2	£479,581	11.6	£40,225	9.3%	9.2%
Mayals Primary	220.1	£713,425	221.1	£751,414	1.0	£37,989	0.5%	5.3%
Morrison Primary	197.3	£942,412	196.5	£948,932	-0.8	£6,520	-0.4%	0.7%
Newton Primary	219.3	£643,178	218.3	£659,144	-1.0	£15,966	-0.5%	2.5%
Oystermouth Primary	216.3	£669,567	217.7	£685,397	1.4	£15,830	0.7%	2.4%
Parkland Primary	480.9	£1,378,790	479.0	£1,427,133	-1.9	£48,343	-0.4%	3.5%
Pen-y-Fro Primary	142.6	£522,771	159.8	£553,910	17.2	£31,139	12.1%	6.0%
Penclawdd Primary	169.8	£563,119	164.8	£559,253	-5.0	£-3,866	-3.0%	-0.7%
Pengelli Primary	79.8	£323,038	87.9	£363,314	8.1	£40,276	10.2%	12.5%
Penllergaer Primary	341.9	£1,190,815	342.7	£1,224,212	0.8	£33,397	0.2%	2.8%
Pennard Primary	210.7	£622,443	202.3	£640,654	-8.4	£18,211	-4.0%	2.9%
Pentrechwyth Primary	128.7	£542,857	128.4	£541,614	-0.3	£-1,243	-0.2%	-0.2%
Pentre'r Graig Primary	310.6	£960,955	284.3	£955,387	-26.3	£-5,568	-8.5%	-0.6%
Penyrheol Primary	199.2	£771,780	217.7	£761,634	18.5	£-10,146	9.3%	-1.3%
Plasmal Primary	133.2	£513,314	140.5	£566,811	7.3	£53,497	5.4%	10.4%
Pontarddulais Primary	426.7	£1,255,115	435.0	£1,306,898	8.4	£51,783	2.0%	4.1%
Pontlliw Primary	186.8	£651,435	186.4	£659,345	-0.5	£7,910	-0.2%	1.2%
Pontybrenin Primary	313.1	£947,105	323.1	£960,761	10.0	£13,656	3.2%	1.4%
Portmead Primary	211.4	£697,125	210.3	£744,899	-1.1	£47,774	-0.5%	6.9%
Seaview Community Primary	179.5	£686,490	186.2	£747,298	6.8	£60,808	3.8%	8.9%
Sketty Primary	459.1	£1,249,554	448.8	£1,287,711	-10.3	£38,157	-2.2%	3.1%
St. David's RC Primary	208.8	£668,966	198.4	£669,292	-10.5	£326	-5.0%	0.0%
St. Helen's Primary	208.6	£674,053	208.4	£683,838	-0.2	£9,785	-0.1%	1.5%
St. Illtyd's RC Primary	220.3	£679,760	220.0	£733,571	-0.3	£53,811	-0.1%	7.9%
St. Joseph's Cathedral Primary (Greenhill)	523.0	£1,498,252	493.0	£1,419,575	-30.0	£-78,677	-5.7%	-5.3%
St. Joseph's RC Primary (Clydach)	218.5	£655,951	222.9	£659,939	4.4	£3,988	2.0%	0.6%
St. Thomas' Primary	345.8	£1,103,693	378.0	£1,189,614	32.2	£85,921	9.3%	7.8%
Talcopa Primary	203.5	£650,738	205.3	£675,837	1.8	£25,099	0.9%	3.9%
Terrace Road Primary	249.3	£825,352	267.8	£870,709	18.5	£45,357	7.4%	5.5%
Townhill Primary	466.6	£1,616,232	462.3	£1,674,831	-4.3	£58,599	-0.9%	3.6%
Trallwn Primary	229.8	£962,543	249.6	£1,042,945	19.8	£80,402	8.6%	8.4%
Tre Uchaf Primary	183.9	£808,405	203.6	£865,422	19.7	£57,017	10.7%	7.1%
Waun Wen Primary	190.6	£663,220	195.1	£662,696	4.5	£-524	2.4%	-0.1%
Waunarwydd Primary	266.0	£795,581	259.8	£792,596	-6.2	£-2,985	-2.3%	-0.4%
Whitestone Primary	146.3	£726,860	151.6	£752,779	5.3	£25,919	3.6%	3.6%
Ynystawe Primary	189.8	£590,382	193.5	£635,633	3.7	£45,251	1.9%	7.7%
YGG Bryniago	208.3	£663,077	225.6	£723,377	17.3	£60,300	8.3%	9.1%
YGG Bryn-y-Mor	271.0	£757,693	276.9	£820,002	5.9	£62,309	2.2%	8.2%
YG y Cwm	66.8	£323,919	90.7	£394,698	23.9	£70,779	35.7%	21.9%
YGG Felindre	51.8	£258,937	51.3	£269,386	-0.5	£10,449	-1.0%	4.0%
YGG Gellionnen	245.4	£745,665	253.0	£791,966	7.6	£46,301	3.1%	6.2%
YGG Llwynderw	290.3	£870,997	301.2	£887,636	10.9	£16,639	3.8%	1.9%
YGG Lon-las	488.6	£1,229,135	470.7	£1,282,500	-17.9	£53,365	-3.7%	4.3%
YGG Pontybrenin	502.5	£1,325,176	519.3	£1,409,011	16.8	£83,835	3.3%	6.3%
YGG Tan-y-lan	117.3	£414,932	138.1	£471,155	20.8	£56,223	17.8%	13.5%
YGG Tirdeunaw	430.2	£1,229,117	428.0	£1,274,939	-2.2	£45,822	-0.5%	3.7%

YGG Y Login Fach	234.2	£678,254	230.5	£709,851	-3.8	£31,597	-1.6%	4.7%
<b>Primary Total</b>	<b>£20,088</b>	<b>£66,445,328</b>	<b>20353.21</b>	<b>£69,215,020</b>	<b>264.9</b>	<b>£2,769,692</b>	<b>1.3%</b>	<b>4.2%</b>

School	Pupil Roll 2015/16 #	Credit/Debit Budget Share 2015/16	Pupil Roll 2016/2017#	Budget Share 2016/17	Roll Diff	Budget Difference from 2015/2016	% Roll Change	% Budget Change
Birchgrove	573.6	£2,891,147	526.4	£2,875,963	-47.2	-£15,184	-8.2%	-0.5%
Bishop Gore School	1016.7	£5,112,972	1076.7	£5,491,442	60.0	£378,470	5.9%	7.4%
Bishop Vaughan Catholic	1161.8	£5,699,030	1163.0	£5,982,558	1.2	£283,528	0.1%	5.0%
Bishopston	1092.8	£4,415,482	1096.8	£4,683,443	4.0	£267,961	0.4%	6.1%
Cefn Hengoed Community	658.8	£3,303,671	684.3	£3,436,022	25.6	£132,351	3.9%	4.0%
Dylan Thomas School	515.7	£3,119,292	492.9	£3,118,051	-22.8	-£1,241	-4.4%	0.0%
Gowerton School	916.5	£4,634,724	918.6	£4,714,652	2.1	£79,928	0.2%	1.7%
Morrison	798.3	£4,539,430	786.4	£4,564,531	-11.9	£25,101	-1.5%	0.6%
Olchfa School	1343.2	£6,916,163	1343.0	£7,103,652	-0.2	£187,489	0.0%	2.7%
Pentrehafod	929.9	£4,351,867	948.2	£4,534,269	18.2	£182,402	2.0%	4.2%
Penyrheol	900.7	£4,067,911	913.9	£4,287,401	13.3	£219,490	1.5%	5.4%
Pontarddulais	796.8	£3,443,401	780.0	£3,575,408	-16.8	£132,007	-2.1%	3.8%
Ysgol Gyfun Bryn Tawe	608.1	£3,298,178	630.8	£3,621,936	22.7	£323,758	3.7%	9.8%
Ysgol Gyfun Gwyr	690.8	£3,493,461	708.4	£3,647,911	17.6	£154,450	2.5%	4.4%
<b>Secondary Total</b>	<b>12003.6</b>	<b>£59,286,729</b>	<b>12069.3</b>	<b>£61,637,239</b>	<b>65.7</b>	<b>£2,350,510</b>	<b>0.5%</b>	<b>4.0%</b>

# 11 to 16 pupils only

School	Planned Places 2015/2016	Credit/Debit Budget Share 2015/16	Planned Places 2016/2017	Budget Share 2016/17	Place Diff	Budget Difference from 2015/2016	% Place Change	% Budget Change
Penybryn Special School	122.1	£2,043,307	127.9	£2,197,965	5.8	£154,658	4.8%	7.6%
Ysgol Crug Glas	50.0	£1,252,007	54.2	£1,357,539	4.2	£105,532	8.3%	8.4%
<b>Special Total</b>	<b>172.1</b>	<b>£3,295,314</b>	<b>182.1</b>	<b>£3,555,504</b>	<b>10.0</b>	<b>£260,190</b>	<b>5.8%</b>	<b>7.9%</b>

<b>Total</b>	<b>32264.0</b>	<b>£129,027,371</b>	<b>32604.6</b>	<b>£134,407,763</b>	<b>340.6</b>	<b>£5,380,392</b>	<b>7.7%</b>	<b>4.2%</b>
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**SCHOOL REDUNDANCIES AND ER/VR - SEPTEMBER 2015 - AUGUST 2016**

SCHOOL	ER/VR	VR	ER	CR	TOTAL
Brynhyfryd Infants	0	0	0	0	0
Brynhyfryd Primary	0	0	0	0	0
Birchgrove Primary	0	0	0	0	0
Bishopston Primary	0	0	0	0	0
Blaenymaes Primary	0	0	0	0	0
Brynmill Primary	0	0	0	0	0
Burlais Primary	0	0	0	0	0
Cadle Primary	0	0	0	0	0
Casllwchwr Primary	0	0	0	0	0
Cilâ Primary	0	0	0	0	0
Clase Primary	0	0	0	0	0
Clwyd Community Primary	0	0	0	0	0
Clydach Primary	0	0	0	0	0
Craigcefnparc Primary	0	0	0	0	0
Craigfelen Primary	0	0	0	0	0
Crwys Primary	0	0	0	0	0
Cwm Glâs Primary	0	0	1	0	1
Cwmrhydyceirw Primary	0	0	1	0	1
Danygraig Primary	1	2	0	0	3
Dunvant Primary	0	0	0	0	0
Gendros Primary	0	0	1	0	1
Glais Primary	0	0	0	0	0
Glyncollen Primary	0	0	0	0	0
Gors Community Primary	1	0	1	0	2
Gorseinon Primary	0	0	0	0	0
Gowerton Primary	0	1	0	0	1
Grange Primary	0	0	1	0	1
Gwyrosydd Primary	0	1	0	0	1
Hafod Primary	0	0	0	0	0
Hendrefoilan Primary	3	0	1	0	4
Knelston Primary	0	0	0	0	0
Llangyfelach Primary	0	0	0	0	0
Llanrhidian Primary	0	0	0	0	0
Mayals Primary	0	0	0	0	0
Morrison Primary	0	0	0	0	0
Newton Primary	0	0	1	0	1
Oystermouth Primary	0	1	0	0	1
Parkland Primary	0	0	1	0	1
Penclawdd Primary	0	2	0	1	3
Pengelli Primary	0	0	0	0	0
Penllergaer Primary	0	0	0	0	0
Pennard Primary	0	0	0	4	4
Pentrechwyth Primary	0	0	0	0	0
Pentre'r Graig Primary	1	2	0	0	3
Pen y fro Primary	0	0	0	0	0
Penyrheol Primary	0	0	0	0	0
Plasmarl Primary	0	0	0	0	0
Pontarddulais Primary	0	0	0	0	0
Pontlliw Primary	0	0	0	0	0
Pontybrenin Primary	0	0	0	0	0

Portmead Primary	0	1	1	0	2
Sea View Community Primary	0	0	0	0	0
Sketty Primary	0	1	0	0	1
St. Helen's Primary	0	0	0	0	0
St. Thomas Community Primary	0	0	0	0	0
Talycopa Primary	0	0	0	0	0
Terrace Road Primary	0	0	0	0	0
Townhill Community Primary	1	0	0	0	1
Trallwn Primary	0	0	0	0	0
Tre Uchaf Primary	0	0	0	0	0
Waun Wen Primary	0	0	0	0	0
Waunarwydd Primary	0	0	1	0	1
Whitestone Primary	0	1	0	0	1
Ynystawe Primary	0	0	0	0	0
YGG Bryniago	0	0	0	0	0
YGG Brynymôr	0	0	0	0	0
YGG Felindre	0	0	0	0	0
YGG Gellionnen	0	0	0	0	0
YGG Llwynderw	0	0	0	0	0
YGG Lôn-Las	0	1	0	0	1
YGG Pontybrenin	1	0	0	0	1
YGG Tan-y-lan	0	0	0	0	0
YGG Tirdeunaw	0	0	0	0	0
YG Y Cwm	0	0	0	0	0
YGG Y Login Fach	0	0	0	0	0
Christchurch Ch in Wales	0	0	0	0	0
St. David's R C Primary	1	1	0	0	2
St. Illtyd's R C Primary	0	2	1	0	3
St. Joseph's Cathedral Primary	0	0	0	0	0
St. Joseph's Catholic Primary	0	0	0	0	0
Birchgrove Comprehensive	3	1	2	0	6
Bishop Gore	1	0	2	0	3
Bishopston Comprehensive	0	0	1	0	1
Cefn Hengoed Community	1	3	0	0	4
Dylan Thomas Community	1	0	0	0	1
Gowerton Comprehensive	2	0	0	0	2
Morryston Comprehensive	6	0	0	0	6
Olchfa Comprehensive	2	0	0	5	7
Pentrehafod Comprehensive	3	1	0	0	4
Penyrheol Comprehensive	0	0	0	0	0
Pontarddulais Comprehensive	1	1	0	0	2
Bishop Vaughan Catholic Comprehensive	1	4	0	0	5
Ysgol Gyfun Bryn Tawe	0	0	0	0	0
Ysgol Gyfun Gwyr	1	0	1	0	2
Ysgol Crug Glas	0	0	0	0	0
Penybryn Lower	0	0	1	0	1
TOTAL	31	26	18	10	85

<b>PDG Grant 2016-17</b>	
<b>School</b>	<b>Total Allocation</b>
Birchgrove Primary	£91,450
Bishopston Primary School	£21,900
Blaenymaes Primary School	£108,050
Brynhyfryd Primary School	£75,900
Brynmill Primary School	£23,350
Burlais Primary School	£174,800
Cadle Primary School	£125,200
Casllwchwr Primary School	£30,300
Christchurch Church in Wales	£15,850
Cila Primary School	£13,850
Clase Primary School	£130,100
Clwyd Primary School	£133,800
Clydach Primary School	£47,650
Craigcefn Parc Primary School	£16,550
Craigfelen Primary School	£83,650
Crwys Primary School	£8,650
Cwmglas Primary School	£81,700
Cwmrhydyceirw Primary School	£77,900
Danygraig Primary School	£92,400
Dunvant Primary School	£13,800
Gendros Primary School	£71,300
Glais Primary School	£1,150
Glyncollen Primary School	£24,250
Gors Community School	£86,250
Gorseinon Primary School	£107,850
Gowerton Primary School	£60,350
Grange Primary School	£28,550
Gwrosydd Primary School	£167,250
Hafod Primary School	£66,000
Hendrefolian Primary School	£3,500
Llangyfelach Primary School	£14,450
Llanrhidian Primary School	£1,150
Mayals Primary School	£26,550
Morrison Primary School	£54,250
Newton Primary School	£3,450
Oystermouth Primary School	£8,050
Parkland Primary School	£52,550
Penclawdd Primary School	£28,850
Pengelli Primary School	£16,450
Penlleger Primary School	£31,400
Pennard Primary School	£5,200
Pentrechwyth Primary School	£65,000
Pentre'r Graig Primary School	£94,850
Pen-y-fro Primary School	£15,850

## Appendix C

Penyrheol Primary School	£61,550
Plasmarl Primary School	£56,550
Pontarddulais Primary School	£91,450
Pontlliw Primary School	£18,750
Pontybrenin Primary School	£33,750
Portmead Primary School	£81,500
Seaview Primary School	£85,600
Sketty Primary School	£32,350
St Helen's Primary School	£30,000
St Illtyd's Primary School	£53,150
St Josephs Cathedral Primary School	£79,000
St Joseph's R.C Primary School	£11,550
St Thomas Community Primary School	£99,000
St David's R.C Primary School	£4,600
Talycopa Primary School	£38,350
Terrace Road Primary School	£101,200
Townhill Primary School	£179,450
Trallwn Primary School	£120,300
Tre Ucaf Primary School	£45,600
Waun Wen Primary School	£90,950
Waunarwydd Primary School	£34,350
Whitestone Primary School	£36,050
Y.G.G. Bryniago	£5,750
Y.G.G. Brynymor	£23,650
Y.G.G. Gellionnen	£25,100
Y.G.G. Llwynderw	£7,500
Y.G.G. Pontybrenin	£40,500
Y.G.G. Tirdeunaw	£90,550
Y.G.G Tanylan	£15,050
Ynystawe Primary School	£12,100
Ysgol Gymraeg Lon Las	£29,400
Ysgol Gymraeg Y Cwm	£9,350
Y.G.G Login Fach	£14,150
Y.G.G Felindre	£4,600
<b>Total Primary:</b>	<b>£4,064,100</b>
Ysgol Crug Glas	£15,850
Ysgol Pen-Y-Bryn	£40,250
<b>Total Special:</b>	<b>£56,100</b>
Birchgrove Comprehensive	£182,850
Bishop Gore Comprehensive	£301,300
Bishop Vaughan Comp School	£239,200
Bishopston Comprehensive	£80,500
Cefn Hengoed Comprehensive	£308,200
Dylan Thomas Community School	£305,900
Gowerton Comprehensive	£140,300
Morrison Comprehensive	£188,600

## Appendix C

Olchfa Comprehensive	£102,350
Pentrehafod Comprehensive	£284,050
Penyrheol Comprehensive School	£171,350
Pontarddulais Comprehensive School	£112,700
Ysgol Gyfun Gwyr	£40,250
Ysgol Gyfun Gymraeg Bryn Tawe	£69,000
<b>Total Secondary:</b>	<b>£2,526,550</b>
<b>Total:</b>	<b><u>£6,646,750</u></b>