

GWŶS Y CYNGOR

Rydych dan wŷs trwy hyn i ddod i gyfarfod CYNGOR DINAS A SIR ABERTAWWE i'w gynnal yn Siambr y Cyngor, Neuadd y Ddinas, Abertawe Dydd Iau, 24 Tachwedd 2016 am 5.00 pm

Cynigir trafod y materion canlynol:

1. **Ymddiheuriadau am absenoldeb.**
2. **Datgeliadau o fuddiannau personol a rhagfarnol.**
<https://www.abertawe.gov.uk/DatgeluCysylltiadau>
3. **Cofnodion.** 1 - 11
Cymeradwyo a llofnodi cofnodion y cyfarfod(ydd) blaenorol fel cofnod cywir.
4. **Ymatebion ysgrifenedig i gwestiynau a ofynnwyd yng Nghyfarfod Cyffredinol Diwethaf y Cyngor.** 12 - 17
5. **Cyhoeddiadau'r Aelod Llywyddol.**
6. **Cyhoeddiadau Arweinydd y Cyngor.**
7. **Cwestiynau gan y Cyhoedd.**
Rhaid i'r cwestiynau ymwneud â materion ar ran agored agenda'r cyfarfod, ac ymdrinnir â hwy o fewn 10 munud.
8. **Cyflwyniad Cyhoeddus - Dim.**
9. **Gwasanaeth Tân ac Achub Canolbarth a Gorllewin Cymru - cyflwyniad gan y Prif Swyddog Tân**
10. **Adroddiad Gwella Blynnyddol Swyddfa Archwilio Cymru.** 18 - 41
11. **Strategaeth Mwy o Dai'r Cyngor** 42 - 67
12. **Cyfrifo Sylfaen Treth y Cyngor - 2017/18** 68 - 72
13. **Adroddiad Blynnyddol Drafft Panel Annibynnol Cymru ar Gydnabyddiaeth Ariannol (PACGA) 2017-2018 - Ymgynghoriad.** 73 - 83
14. **Lwfansau Band Eang, Ffonau, TGCh a Ffonau Symudol i Gynghorwyr - Mai 2017 a'r Tu Hwnt.** 84 - 96
15. **Aelodaeth Pwyllgorau.** 97
16. **Newidiadau i'r Cyfansoddiad.** 98 - 99
17. **Cwestiynau gan y Cyngorwyr.** 100 - 110



Huw Evans
Pennaeth Gwasanaethau Democrataidd
Dydd Marwth, 15 Tachwedd 2016

I: Bob Aelod o'r Cyngor

Agenda Item 3.

CITY AND COUNTY OF SWANSEA

MINUTES OF THE CEREMONIAL COUNCIL

HELD AT COUNCIL CHAMBER, GUILDHALL, SWANSEA ON
THURSDAY, 20 OCTOBER 2016 AT 5.00 PM

PRESENT: Councillor D H Hopkins (Lord Mayor) Presided

Councillor(s)	Councillor(s)	Councillor(s)
C Anderson	P M Black	A C S Colburn
D W Cole	A M Cook	N J Davies
C R Doyle	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	M H Jones	L James
Y V Jardine	J W Jones	A J Jones
S M Jones	A S Lewis	E T Kirchner
M B Lewis	K E Marsh	C E Lloyd
P Lloyd	G Owens	P N May
P M Meara	T H Rees	D Phillips
C L Philpott	R C Stewart	I M Richard
R V Smith	C M R W D Thomas	D G Sullivan
G J Tanner	D W W Thomas	L G Thomas
M Thomas	T M White	L J Tyler-Lloyd
L V Walton		

Apologies for Absence

Councillor(s): J E Burtonshaw, S E Crouch, J P Curtice, A M Day, P Downing, V M Evans, F M Gordon, D J Lewis, P M Matthews, J Newbury, C Richards, P B Smith, R J Stanton and C Thomas

69. **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.

70. **ABERFAN DISASTER - 50TH ANNIVERSARY.**

The Lord Mayor referred to the 50th Anniversary of the disaster at Aberfan which claimed the lives of 144 children and adults, mainly at Pantglas Junior School which falls on Friday 21 October 2016.

All present stood for a minutes silence as a mark of sympathy and respect.

71. **FILMING OF COUNCIL MEETINGS.**

The Lord Mayor proposed and it was resolved that the media present be allowed to film the proceedings.

72. **TO CONFER THE HONORARY FREEDOM OF THE CITY AND COUNTY OF SWANSEA TO CHRIS COLEMAN.**

The Lord Mayor welcomed the Lord Lieutenant, High Sheriff, Civic Dignitaries, Distinguished Guests, Members of the Council and Chris Coleman to the Ceremonial Meeting of Council.

The Leader of the Council referred to the resolution of the Meeting of Council held on 28 July 2016 (Minute 46 refers) whereby the Council voted 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.

The Leader of the Largest Opposition Political Group and the other Political Group Leaders spoke in support of the motion.

RESOLVED that 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.

The Lord Mayor then presented Chris Coleman with the Honorary Freedom Scroll, granting the Freedom of the City and County of Swansea.

Chris Coleman responded by thanking the Council for the honour.

The meeting ended at 5.35 pm

CHAIR

CITY AND COUNTY OF SWANSEA

MINUTES OF THE COUNCIL

HELD AT COUNCIL CHAMBER, GUILDHALL, SWANSEA ON TUESDAY,
1 NOVEMBER 2016 AT 5.00 PM

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

Councillor(s)	Councillor(s)	Councillor(s)
C Anderson	J C Bayliss	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	N J Davies
P Downing	C R Doyle	C R Evans
W Evans	E W Fitzgerald	R Francis-Davies
F M Gordon	J A Hale	J E C Harris
T J Hennegan	C A Holley	P R Hood-Williams
B Hopkins	D H Hopkins	Y V Jardine
M H Jones	A J Jones	S M Jones
J W Jones	E T Kirchner	M B Lewis
R D Lewis	A S Lewis	P Lloyd
P M Matthews	P N May	P M Meara
G Owens	D Phillips	C L Philpott
J A Raynor	T H Rees	I M Richard
C Richards	P B Smith	R V Smith
R J Stanton	R C Stewart	C Thomas
C M R W D Thomas	L G Thomas	M Thomas
L J Tyler-Lloyd	G D Walker	T M White

Apologies for Absence

Councillor(s): J P Curtice, A M Day, V M Evans, L James, D J Lewis, C E Lloyd, K E Marsh, J Newbury, D G Sullivan and G J Tanner

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

The Interim 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:

Councillors

- 1) Councillor J E Burtonshaw declared a Personal Interest in Minute 80 "Mid Term Budget Statement 2016/17";
- 2) Councillors C Anderson, M C Child, C A Holley, P M Meara and M Thomas declared a Personal Interest in Minute 82 "Annual Report 2015/16 - Director of Social Services";
- 3) Councillor A S Lewis declared a Personal Interest in Minute 83 "Membership of Committees";
- 4) Councillor M Thomas declared a Personal and Prejudicial Interest in Minute 84 "Councillors' Questions – Question 8" and withdrew from the meeting prior to its consideration;
- 5) Councillor C L Philpott declared a Personal Interest in Minute 85 "Notice of Motion".

Officers

- 1) Phil Roberts (Chief Executive) declared a Personal Interest in Minute 82 "Annual Report 2015/16 - Director of Social Services".

74. MINUTES.

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

- 1) Ordinary Meeting of Council held on 22 September 2016.

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

The Interim 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.

76. ANNOUNCEMENTS OF THE PRESIDING MEMBER.

Congratulations

a) **British Association of Social Workers (BASW) Cymru Social Work Awards 2016**

The Presiding Member was delighted to announce that a number of Council Officers were successful at the recent BASW Cymru Social Work Awards 2016. These popular awards now in their 7th year are open to social workers in Wales; whether they are BASW members or not. The BASW Cymru Social Work Awards seek to promote the positive aspects of the Social Work profession, great social work practice and supportive organisations.

Vanessa Chambers won the Spirit of Social Work Award for the 'I am me' guidance she developed which is all about supporting children to understand their journey through life.

The Foster Swansea Team received a Certificate of Achievement for the Social Work Team Award.

Vanessa Chambers, Amanda Etherington, Martin Chapman and the Foster Swansea Team are present to receive their awards.

77. **ANNOUNCEMENTS OF THE LEADER OF THE COUNCIL.**

1) **Trade Visit to China**

The Leader of the Council stated that the Lord Mayor, Lady Mayoress and he had recently undertaken a trade visit to China. The trip included visits to Shanghai, Nantong and to Wuhan. He stated that the trade visits had been worthwhile and that reciprocal visits would occur in the new year.

2) **Fire at Tycoch Campus, Gower College Swansea**

The Leader of the Council thanked the excellent work of Council Officers who assisted Gower College Swansea following their recent fire at their Tycoch Campus.

3) **City Deal**

The Leader of the Council provided an update on the City Deal.

78. **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) David Davies asked the Services for Children and Young People Cabinet Member a question in relation to Minute 82 "Annual Report 2015/16 – Director of Social Services":

- i) Page 69 "A City that Cares", Paragraph 2.

"It is particularly welcome to read the words that our City is recognised as a beacon of hope and a haven from hate and persecution. Since Brexit, hate crimes have escalated, encouraged by extravagantly used language from politicians promoting their own unprincipled ideology. I have witnessed two cases of extreme racism which I am pursuing. The sentiments taken from the Swansea Story are an inspiration.

Could the Senior Officers and Cabinet Members responsible be officially recognised as examples of what is good in society today and their identities revealed at our next meeting?"

The Services for Children and Young People Cabinet Member stated that a written response would be provided.

79. **PUBLIC PRESENTATION - CREST.**

This item was withdrawn.

80. **MID TERM BUDGET STATEMENT 2016/17.**

The Section 151 Officer submitted a report which outlined the current year financial performance together with an updated assessment of likely savings requirements over the period of the Medium Term Financial Plan.

The Leader of the Council gave his response to the Statement by way of a presentation to Council.

RESOLVED that:

- 1) The comments made in the report be noted and the revised resources forecast and forecast of spending pressures be adopted in terms of future budget planning;
- 2) The financial forecast in relation to the current year be noted and whatever actions are required in order to move towards a balanced revenue outturn for 2015-2016 be endorsed;
- 3) Comments in relation to the funding of the Capital Programme set out in the report be noted and the funding shortfall continues to be addressed by a policy encompassing all asset sales.

81. **REVIEW OF REVENUE RESERVES.**

The Section 151 Officer submitted a report which outlined a mid year review of the Revenue Reserves position and to agree any suggested reclassification of reserves based on current requirements..

RESOLVED that:

- 1) The following re-classification of earmarked reserves be approved:

Category of Earmarked Reserve	Current Balance 31/3/15 £'000	Proposed Change £'000	Recommended Position £'000
Technical/Third party	1,027	0	1,027

Insurance	14,092	0	14,092
Job evaluation	0	2,500	2,500
Transformation and efficiency	2,292	0	2,292
Schools delegated reserves	9,547	0	9,547
Equalisation reserves	52	0	52
Commuted sums	5,122	0	5,122
Repair and Renewal funds	2,935	0	2,935
Profit share on disposals	1,121	0	1,121
Service earmarked reserves	4,840		4,840
Capital Reserves	5,496	0	5,496
Restructuring costs reserve	9,497	-2,500	6,997
Total earmarked reserves	56,021	0	56,021

82. **ANNUAL REPORT 2015/16 - DIRECTOR OF SOCIAL SERVICES.**

The Director of Social Services presented his Annual Report 2015-2016 for information.

83. **MEMBERSHIP OF COMMITTEES.**

The Transformation and Performance Cabinet Member submitted a report which sought approval of the nominations / amendment to the membership of Council Bodies. The Head of Democratic Services verbally added some late additional changes to membership of Committees.

He referred to the report stating that the Leader of the Council had also made the following changes to the membership of the Authority's Outside Bodies:

- 1) **Inter Authority Agreement for Food Waste**
Remove Councillor M C Child;
Add Councillor A S Lewis.

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

- 1) **Development Cabinet Advisory Committee**
Remove Councillors P M Matthews and G J Tanner.
Add Councillors J C Bayliss and N M Woollard.
- 2) **Prevention and Social Care Cabinet Advisory Committee**
Remove Councillors C R Doyle and J A Hale.
Add Councillors J C Bayliss and E T Kirchner.
- 3) **Social Services Rota Visits**
Remove Councillors V M Evans, B Hopkins and P B Smith.

Add Councillors J C Bayliss, N M Woollard and Independent Group Vacancy.

4) Trustees Panel

Remove Councillor D J Lewis.
Add Independent Group Vacancy.

84. **COUNCILLORS' QUESTIONS.**

1) Part A 'Supplementary Questions'

Eight (8) 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.

Question 1

a) Councillor M H Jones asked:

- i) "Swansea International Festival of Music and Arts. Has the cut in funding had any detrimental effect?"*
- ii) "Can you explain why we are paying £31,500 for the Dylan Thomas Exhibition which is a Heritage Lottery Funded programme and the Dylan Thomas Centre £143,000".*
- iii) "Swansea is a member of the European Network of Cultural Cities. What are the costs associated with it and what benefit has it for Swansea?"*

The Enterprise, Development and Regeneration indicated that a written response would be provided.

b) Councillor P M Black asked:

- i) "Why is there a big jump in funding for the Brangwyn Hall when the music programme has been discontinued?"*
- ii) Why has there been an increase in funding for the Dylan Thomas Centre when the exhibition is funded separately by Heritage Lottery Fund (HLF)?"*

The Enterprise, Development and Regeneration indicated that a written response would be provided.

Question 6

Councillor J W Jones asked:

“Is the borrowing being amassed for future use? What will the borrowing be used for?”

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

Question 7

Councillor I M Richard asked:

“At a meeting with the community very recently, four senior INNOGY project Managers clearly stated that the project (if ever done) would be 33.6 MW and not as they had previously always said 48MW capacity (although hidden in the small print of the Planning Application it always said 32MW to 48MW.

I ask for clarification and that true figures be given; not out dated figures:

The final figure precisely in the answer to Council should reflect the now set true capacity figure as 33.6MW.

In this recent community meeting INNOGY also accepted and did not disagree that the average output would now be just 8MW from Mynydd y Gwair.

INNOGY also confirmed that dropping the capacity from 48MW to 33.6MW would drop the Community Fund from £240,000 to £168,000 p.a. (£72,000 less!).

Now the complicated bit which is always “twisted” by all Renewable Energy producers is the fact that they have Renewable Obligation Certificate Contracts. This means effectively that the Electric Power National Grid is obliged to accept all they produce. Their outputs vary all the time, due to erratic wind and sun conditions and can never be precisely forecast. So in simple terms other power sources have to continually “give way” and the more renewables we get the more complex it becomes. Coal power operation is too slow to give way. Nuclear is unsafe to play about with so it cannot give way. So it is gas power that gives way as it can react quickly to demands and quickly react up or down.

The Grid is a very complex capacitor. In the sixties when I worked in the Steel Company of Wales (SCOW) we would occasionally get emergency phone calls from National Grid to shut down our big steel cold reduction mill to allow the Grid to maintain flow in a power crisis, this was called load shedding. This one mill consumed as much energy as a domestic town the size of Neath, SCOW would be compensated. Now they have “spinning reserve” a wasteful costly reserve.

So what is done; they slow down the easiest to control input – gas power to allow in the Renewables under their obligation contracts. The complicated bit

is that Renewable Developers at current levels of their outputs give out Carbon Saving statistics as if they are displacing coal pure carbon power (or the mix power). The carbon savings are then inflated as false figures. The true reality is that they are displacing GAS which has far less carbon and mostly hydrogen and produce mostly steam and not carbon. So my question asked for true carbon displacement figures according to the real situation of the “wobbly” Grid.

This is something that needs understanding. That’s why I chose the “balloon” as an example. That’s also why they now hope to build a new medium sized Gas Power Station between Mawr Ward and Llangyfelach to burn gas from Iran and Russia via Milford Haven to steady the wobbly grid as more and more Renewable Wind Turbines and Solar Panels and Tides come into the Grid. Apart from Tidal the other two are totally erratic and unpredictable – short term or long term.

Also in giving displacement of Carbon statistics they always compare it with Renewables capacity or Maximum and never with the reality of true average outputs – 25% for Wind and 10% for Solar and not the untruth of 100% for both! A huge exaggeration or untruth!”

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

Question 8

Councillor M H Jones asked:

“Can the Cabinet Member provide a simple definition of “Deprivation of Liberty Safeguards (DoLS)?”

The Services for Adults and Vulnerable People Cabinet Member indicated that a written response would be provided.

No supplementary questions required a written response.

2) Part B ‘Questions not requiring Supplementary Questions’

No (0) Part B ‘Questions not requiring Supplementary Questions’ were submitted.

85. NOTICE OF MOTION - COUNCILLORS R C STEWART, J E BURTONSHAW, C RICHARDS, J P CURTICE, D W W THOMAS, A S LEWIS, J E C HARRIS, J A HALE, M THOMAS, C ANDERSON, M C CHILD AND R FRANCIS-DAVIES.

The following motion was proposed by Councillor J E Burtonshaw and R C Stewart.

“Making the Next Census Count for our Armed Forces Community

Motion in Support of Count Them In

This Council notes:

1. *The obligations its owes to the Armed Forces community within the City and County of Swansea Council as enshrined in the Armed Forces Covenant; that the Armed Forces community should not face disadvantage in the provision of services and that special consideration is appropriate in some cases, especially for those who have given the most.*
2. *The absence of definitive and comprehensive statistics on the size or demographics of the Armed Forces community within the City and County of Swansea. This includes serving Regular and Reserve personnel, veterans, and their families.*
3. *That the availability of such data would greatly assist the council, local partner agencies, the voluntary sector, and national Government in the planning and provision of services to address the unique needs of the Armed Forces community within the City and County of Swansea.*

In light of the above, this council moves to support and promote The Royal British Legion's call to include a new topic in the 2021 census that concerns military service and membership of the Armed Forces community. We further call upon the UK Parliament, which will approve the final census questionnaire through legislation in 2019, to ensure that the 2021 census includes questions concerning our Armed Forces community."

RESOLVED that the motion as outlined above be approved.

The meeting ended at 8.08 pm

CHAIR

Agenda Item 4.

Report of the Interim Head of Legal and Democratic Services

Council – 24 November 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 1 November 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
1 November 2016**

1.	<p>Mr David Davies - Page 69 “A City that Cares”, Paragraph 2.</p> <p>It is particularly welcome to read the words that our City is recognised as a beacon of hope and a haven from hate and persecution. Since Brexit, hate crimes have escalated, encouraged by extravagantly used language from politicians promoting their own unprincipled ideology. I have witnessed two cases of extreme racism which I am pursuing. The sentiments taken from the Swansea Story are an inspiration. Could the Senior Officers and Cabinet Members responsible be officially recognised as examples of what is good in society today and their identities revealed at our next meeting.</p> <p>Response of the Cabinet Member for Services for Children and Young People</p> <p>The words are taken from the 'Swansea Story'. This is a short document, developed jointly by Cabinet and the Corporate Management Team to reflect our thoughts and vision for the area we all serve. Although I am delighted with your feedback and kind words I feel that it would be wrong to single out individuals as it was very much a joint effort.</p>
2.	<p>Councillor M H Jones – Councillors Questions – Q1</p> <p>1. Swansea International Festival of Music and Arts. Has the cut in funding had any detrimental effect?”</p> <p>2. Can you explain why we are paying £31,500 for the Dylan Thomas Exhibition which is a Heritage Lottery Funded programme and the Dylan Thomas Centre £143,000”.</p> <p>3. Swansea is a member of the European Network of Cultural Cities. What Are the costs associated with it and what benefit has it for Swansea.</p> <p>Response of the Cabinet Member for Enterprise, Development and Regeneration</p> <p>1. We are not aware of any detrimental effect to the new funding principles for the Swansea International Festival. Whilst we retained our investment at £40,000 for 16/17, the ‘cut’ if it can be described as such, was the removal of free use of the Brangwyn Hall, which amounted to £10,000 of lost income for Cultural Services. The Council has a policy for no free use of the Hall and the implementation of this policy was discussed over a period of time with the Festival organisers.</p> <p>We are advised by the organisers that they are incredibly grateful for The continued support of CCS despite the cuts to Cultural budgets and that the Festival programme was delivered, successfully, as agreed.</p> <p>2. The £31,500 is City & County of Swansea’s match funding to the delivery of the literature development programme to promote and engage participation in literature and the works of Dylan Thomas, which has a total budget of £130,400. This programme will cease next year and any future activity will be delivered within the overall cultural development programme of the Council.</p> <p>The Dylan Thomas Centre houses the Exhibition, administrative office for The literature development programme and shop. The budget for these,</p>

including the rent and rates payable, insurances and employee costs, nets off at £143,000.

3. Thank you for your interest in this programme, which I'm pleased to provide a full response to. Swansea is participating in a Pilot programme which has brought together a European network of Cities to work together to explore and identify the benefits of Culture in developing a sustainable city.

The aims of this programme are to:

“highlight the interdependent relationship between citizenship, culture and sustainable development; provide an international framework supported by commitments and actions that are both achievable and measurable; complement the Agenda 21 for culture adopted in 2004, making it more effective; harness the role of cities and local governments as authorities in the development and implementation of policies with and for citizens; contribute to the definition and importance of the essential role of culture in the United Nations Post-2015 Sustainable Development Agenda.”

This is a three year project and our costs will amount to around £34,000 over the duration – depending on the Euro exchange rate – which pays for the Agenda 21 and Culture Action Europe teams to visit us, work with us to understand our current position in the network and manage workshops with our stakeholders.

There may be further minor costs incurred, of visiting other cities or hosting workshops. These are minor as the host organisation (UCLG) and city, should we undertake the visits, will cover travel and accommodation for at least one delegate and to date we are holding workshops in our own premises, or at our partners' venues, without being charged.

The three year programme will specifically address the nine commitments Of Culture 21 – Agenda 21 for Culture, which our UK governments and non-governing bodies alike have subscribed to. These are accompanied by a series of actions and tests of effectiveness which will be explored and developed throughout the programme. The commitments are: Cultural Rights: Active citizenship and the full recognition of cultural rights; Heritage, Diversity and Creativity: as the foundations of cultural life; Culture and Education: promoting active citizenship through the construction of cultural capacities; Culture and Environment: cultural factors as accelerators of environmental responsibility; Culture and Economy: cultural responsibility as necessary for a sustainable economy; Culture, Equality and Social Inclusion: culture contributes to new social bonds; Culture, Urban Planning and Public Spaces: planning cities and regions with cultural awareness and meaning; Culture, Information and Knowledge: technology and its contributions to plurality and citizenship-building; Governance of Culture: towards a balanced and shared governance of Local cultural policies.

The benefits for Swansea are that we have access to a wide ranging peer network and experts to help us develop a greater understanding of the way we work compared to others and to develop a sustainable strategy for Culture in Swansea that is considered best practice. The programme includes meetings and visits to Swansea by others and vice versa, with many opportunities for our stakeholders and partners to work with us and consider improvements and evidence of how our City can be more sustainable with

	<p>new partnerships and policies for culture. Participation in the programme will give us a solid understanding of our opportunities, strengths and weaknesses so that we can future plan within an agreed strategy. This is particularly important for Swansea presently, as we embark on the significant regeneration of the City and the need to ensure we have a breadth of activity and facilities for all our communities to benefit from, with active partnerships and external investment in place.</p>
<p>3.</p>	<p>Councillor P M Black - Councillors Questions – Q1</p> <p>1. Why is there a big jump in funding for the Brangwyn Hall when the music programme has been discontinued.</p> <p>2. Why has there been an increase in funding for the Dylan Thomas Centre when the exhibition is funded separately by Heritage Lottery Fund (HLF).</p> <p>Response of the Cabinet Member for Enterprise, Development and Regeneration</p> <p>1. We are not certain of the budgets you are comparing when stating that there is a big jump in funding. However, we can advise that whilst the Music budget and the Brangwyn Hall budget were two separate budgets on paper, there was a significant amount of interdependence between the both e.g. if the CCS put on a music event in the BHL, then that would have been charged against the Music budget. The Brangwyn hall budget would then recover the Hall hire costs etc. for that event from the Music budget. In 2016/17, as part of the overall savings within Cultural Services, the Brangwyn budget and Music budget had to make a saving of £80,000.</p> <p>The Music budget was therefore ceased and the Brangwyn budget was also reduced. In 2015/16 the Brangwyn budget (net) was £76,000 and in 16/17 it is £51,600. There has been no jump in funding for the Brangwyn but there has been a reduction.</p> <p>2. There has been no increase in funding for the Dylan Thomas Centre. The funding from HLF is also for the literature development programme as detailed in the response to Councillor Jones ie. a total budget of £130,400 per annum which includes £31,500 match funding from CCS. This programme will cease next year and any future activity will be delivered within the overall cultural development programme of the Council.</p> <p>The Dylan Thomas Centre houses the Exhibition, which was made possible through HLF, as well as the administrative office for the literature development programme and shop. The budget for managing these, including the rent and rates payable, insurances and employee costs, nets off at £143,000 and is the responsibility of the Council. Whilst there has been no increase in the expenditure budget, there has been an increase in standard inflationary items, which has been awarded across all council budgets, i.e. salaries.</p>
<p>4.</p>	<p>Councillor J W Jones - Councillors Questions – Q6</p> <p>Is the borrowing being amassed for future use. What will the borrowing be used for.</p> <p>Response of the Cabinet Member for Next Generation Services</p> <p>The Council does not borrow in advance or in anticipation of Capital expenditure and there is no sum being amassed for future use.</p>

The Section 151 Officer has clearly explained the rise in borrowing in 2015/16 was due to two specific reasons:

- a) The opportunity for the Council to buy itself out of the historic Housing subsidy arrangements.
- b) The need to externalise elements of the overall Capital Financing Requirement previously covered by internal borrowing and using the opportunity to take advantage of exceptionally low external PWLB loan rates.

5.

Councillor I M Richard - Councillors Questions – Q7

At a meeting with the community very recently, four senior INNOGY project Managers clearly stated that the project (if ever done) would be 33.6 MW and not as they had previously always said 48MW capacity (although hidden in the small print of the Planning Application it always said 32MW to 48MW.

I ask for clarification and that true figures be given; not out dated figures:

The final figure precisely in the answer to Council should reflect the now set true capacity figure as 33.6MW.

In this recent community meeting INNOGY also accepted and did not disagree that the average output would now be just 8MW from Mynydd y Gwair.

INNOGY also confirmed that dropping the capacity from 48MW to 33.6MW would drop the Community Fund from £240,000 to £168,000 p.a. (£72,000 less!).

Now the complicated bit which is always “twisted” by all Renewable Energy producers is the fact that they have Renewable Obligation Certificate Contracts. This means effectively that the Electric Power National Grid is obliged to accept all they produce. Their outputs vary all the time, due to erratic wind and sun conditions and can never be precisely forecast. So in simple terms other power sources have to continually “give way” and the more renewables we get the more complex it becomes. Coal power operation is too slow to give way. Nuclear is unsafe to play about with so it cannot give way. So it is gas power that gives way as it can react quickly to demands and quickly react up or down.

The Grid is a very complex capacitor. In the sixties when I worked in the Steel Company of Wales (SCOW) we would occasionally get emergency phone calls from National Grid to shut down our big steel cold reduction mill to allow the Grid to maintain flow in a power crisis, this was called load shedding. This one mill consumed as much energy as a domestic town the size of Neath, SCOW would be compensated. Now they have “spinning reserve” a wasteful costly reserve.

So what is done; they slow down the easiest to control input – gas power to allow in the Renewables under their obligation contracts. The complicated bit is that Renewable Developers at current levels of their outputs give out Carbon Saving statistics as if they are displacing coal pure carbon power (or the mix power). The carbon savings are then inflated as false figures. The true reality is that they are displacing GAS which has far less carbon and mostly hydrogen and produce ^{page 16} mostly steam and not carbon. So my question asked for true carbon displacement figures according to the real situation of

	<p>the “wobbly” Grid.</p> <p>This is something that needs understanding. That’s why I chose the “balloon” as an example. That’s also why they now hope to build a new medium sized Gas Power Station between Mawr Ward and Llangyfelach to burn gas from Iran and Russia via Milford Haven to steady the wobbly grid as more and more Renewable Wind Turbines and Solar Panels and Tides come into the Grid. Apart from Tidal the other two are totally erratic and unpredictable – short term or long term.</p> <p>Also in giving displacement of Carbon statistics they always compare it with Renewables capacity or Maximum and never with the reality of true average outputs – 25% for Wind and 10% for Solar and not the untruth of 100% for both! A huge exaggeration or untruth!.</p> <p>Response of the Cabinet Member for Enterprise, Development and Regeneration</p> <p>As of 7 November 2016, the Council has not received confirmation from Innogy on the size or capacity of the wind turbines and therefore it would not be considered appropriate to confirm the final size of the installation until Innogy have notified the Council as to their decision.</p>
6.	<p>Councillor M H Jones - Councillors Questions – Q8</p> <p>Can the Cabinet Member provide a simple definition of “Deprivation of Liberty Safeguards (DoLS)</p> <p>Response of the Cabinet Member for Services for Adults and Vulnerable People</p> <p>I can recommend you following the below link as it explains in detail the definition.</p> <p>http://www.mind.org.uk/information-support/legal-rights/mental-capacity-act-2005/deprivation-of-liberty/#.WBj2SOvfWrU</p> <p>I have also left a hard copy of this in your mail tray, the explanation of the Deprivation of Liberty is on page 21-27.</p>



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report 2015-16

City and County of Swansea Council

Issued: October 2016

Document reference: 570A2016



This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Steve Barry and Samantha Clements under the direction of Jane Holownia.

**Huw Vaughan Thomas
Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ**

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office Board, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the National Assembly.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales.

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

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Summary report

About this report

- 1 This Annual Improvement Report (AIR) summarises the audit work undertaken at the City and County of Swansea Council (the Council) since the Corporate Assessment and combined AIR was published in June 2015. This report also includes a summary of the key findings from 'relevant regulators', namely: the Care and Social Services Inspectorate Wales (CSSIW); Her Majesty's Inspectorate for Education and Training in Wales (Estyn); and the Welsh Language Commissioner (WLC). Nonetheless, this report does not represent a comprehensive review of all the Council's arrangements or services. The conclusions in this report are based on the work carried out at the Council by relevant external review bodies and, unless stated otherwise, reflect the situation at the point in time that such work was concluded.
- 2 Taking into consideration the work carried out during 2015-16, the Auditor General will state in this report whether he believes that the Council is likely to make arrangements to secure continuous improvement for 2016-17.
- 3 This statement should not be seen as a definitive diagnosis of organisational health or as a prediction of future success. Rather, it should be viewed as providing an opinion on the extent to which the arrangements currently in place are reasonably sound insofar as can be ascertained from the work carried out.
- 4 We want to find out if this report gives you the information you need and whether it is easy to understand. You can let us know your views by e-mailing us at info@audit.wales or writing to us at 24 Cathedral Road, Cardiff, CF11 9LJ.

2015-16 performance audit work

- 5 In determining the breadth of work undertaken during the year, we considered the extent of accumulated audit and inspection knowledge as well as other available sources of information including the Council's own mechanisms for review and evaluation.
- 6 For 2015-16, we undertook improvement assessment work under two themes: performance and use of resources, as well as assessing the progress being made in dealing with the proposals for improvement made in our June 2015 report. During the year the Council was reviewing decision making arrangements in response to a proposal for improvement that we made in 2015. Changes had not become embedded so we propose to review governance arrangements in more detail in the latter part of 2016 and will report on the outcome in due course.
- 7 The work carried out since the last AIR, including that of the 'relevant regulators', is set out below.

Project name	Brief description	Dates
Wales Audit Office review of Performance Management Arrangements	Follow-up implementation and effectiveness of the Council's developing approach to reporting and evaluating performance. Our report identified progress was being made and included four proposals for improvement which the Council is implementing.	July 2016
Wales Audit Office Financial Resilience Assessment	Review of the Council's financial position and how it is budgeting and delivering on required savings. We found that the Council had improved medium-term financial planning, but the pace at which planned savings were being achieved was too slow and accountability for delivering all savings proposals had yet to be resolved. The report included two proposals for improvement which are being considered by the Council.	May 2016
Wales Audit Office Annual 'Improvement Plan' Audit	Each year the Council must publish its improvement objectives. We reviewed publication in 2015 and again in 2016 and issued certificates confirming the Council had complied with statutory requirements.	May 2015 and May 2016

Project name	Brief description	Dates
Wales Audit Office Annual 'Assessment of Performance' Audit	Each year the Council must publish an assessment of its performance in the previous year. In October 2015 the Council published its report of its performance in 2014-15. We reviewed the report and issued a certificate confirming the Council had complied with statutory requirements.	November 2015
Wales Audit Office Audit of Accounts	Review of the Council's financial statements, which concluded they give a true and fair view of its financial position and expenditure and income for the year.	November 2015
CSSIW Performance Evaluation Report 2014-15	CSSIW's review of the Council's performance in both Adults' and Children's Social Services.	October 2015
Welsh Language Commissioner review	Every council is committed to providing an annual monitoring report to the Commissioner outlining its performance in implementing the language scheme. The Commissioner analyses every monitoring report, provides a formal response and collects further information as required.	December 2015

The Council has continued to improve in its priority areas and its arrangements are likely to support future improvement

- 8 Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Council is likely to comply with the requirements of the Measure and secure improvements during 2016-17. The Auditor General has reached this conclusion because:
- a The Council has made clear progress in developing its performance management arrangements and understands what needs to be done to further refine activities.

- b The Council has improved medium-term financial planning, but the pace at which planned savings are being achieved is too slow and accountability for delivering all savings proposals has yet to be resolved:
 - the Council has improved medium-term financial planning arrangements and understands the overall financial savings required but is not achieving specific savings as quickly as planned;
 - controls are in place for managing most of the Council’s financial activity but a lack of clarity about responsibility for delivering some savings targets weakens overall control; and
 - financial governance arrangements are in place but weakened by the lack of accountability for delivery of some savings targets.

Proposals for improvement

- 9 Given the wide range of services provided by the Council and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
 - a make proposals for improvement – if proposals are made to the Council, we would expect it to do something about them and we will follow up what happens;
 - b make formal recommendations for improvement – if a formal recommendation is made, the Council must prepare a response to that recommendation within 30 working days;
 - c conduct a special inspection and publish a report and make recommendations; and
 - d recommend to Ministers of the Welsh Government that they intervene in some way.
- 10 During the course of the year, the Auditor General did not make any formal recommendations. Lower-priority issues, known as ‘proposals for improvement’, are contained in our other reports. During the year we made a total of six proposals for improvement in two reports. We will continue to monitor the implementation of proposals for improvement during the course of our future performance audit work.

Performance

P1 Improve the effectiveness of decision making by:

- reviewing the effectiveness and resource implications of all task and finish groups, management committees, and improvement boards; and
- clarifying responsibilities for elements of performance.

P2 Improve external reporting of performance by:

- developing the Council's website; engaging user groups in determining the most effective and efficient ways of reporting performance, and then taking action to improve public reporting;
- maximising the impact of performance reports by assessing their readability and comprehension; and
- assessing the costs and benefits of any opportunities to communicate performance information using video, social media, and interactive media.

P3 Improve service business planning by:

Further developing the Council's service planning toolkit to include:

- giving greater clarity on operational priorities and to pinpoint budget savings;
- developing an appropriate set of smaller, more focused, representative and outcome-based local performance indicators for each service; and
- improving data quality and security by acting on the findings of recent internal data quality reviews, and continue testing data security systems and policies.

Improve performance management by:

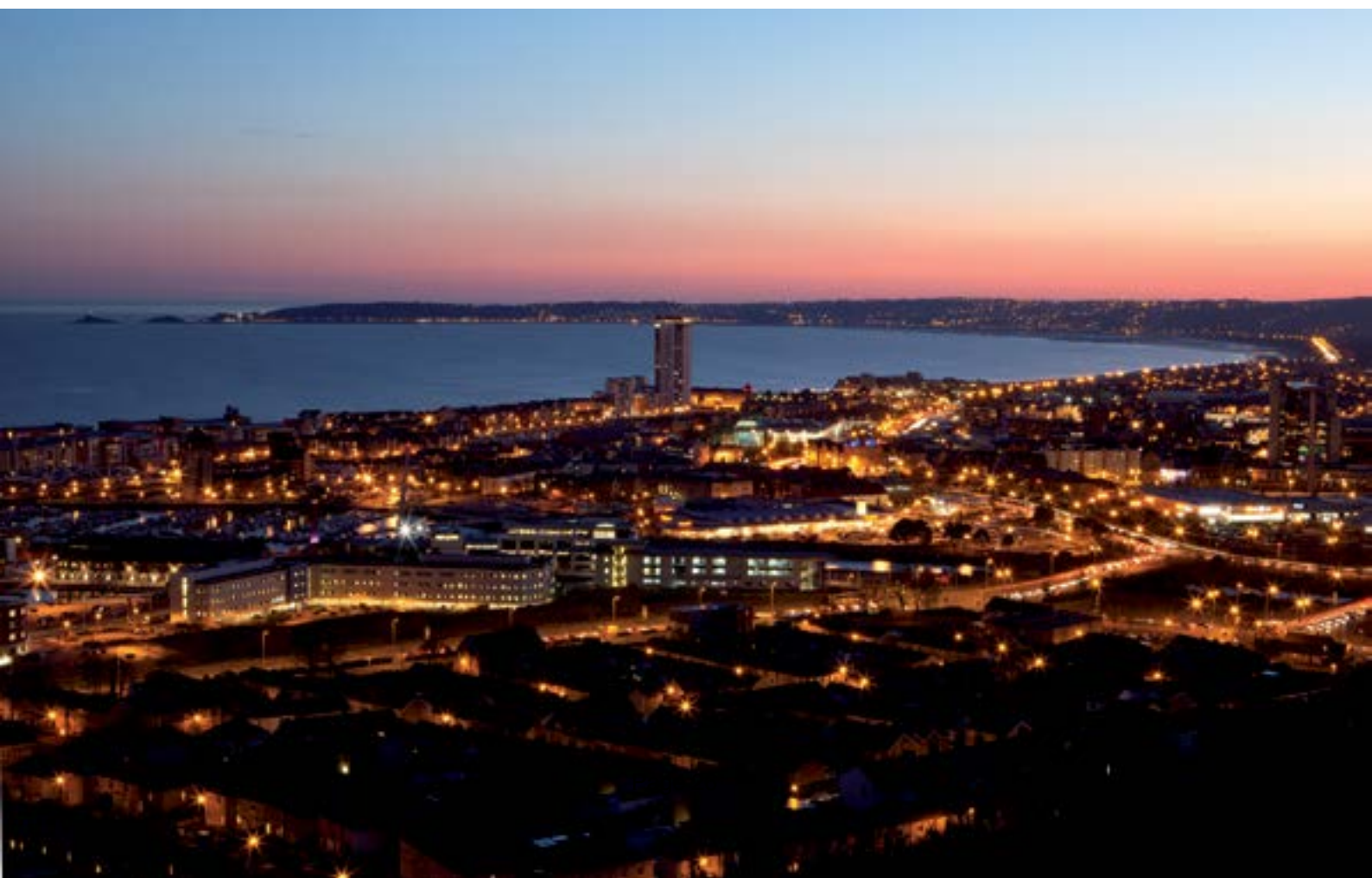
P4 Increasing the coverage, positive impact and frequency of formal staff appraisals.

Use of Resources

P5 Ensure timescales for the delivery of specific savings proposals are realistic and act to drive delivery.

P6 Ensure responsibility for delivery of planned savings is assigned to specific managers' services.

Detailed report



Performance

Audit of the Council's 2015-16 and 2016-17 Improvement Plans

- 11 In May 2015 and May 2016 we issued certificates confirming that the Council had discharged its duties under section 15(6) to (9) of the Local Government Measure and had acted in accordance with Welsh Government guidance sufficiently to discharge its duties. The certificates are contained in [Appendix 2](#).

Review of the Council's assessment of its 2014-15 performance

- 12 On 23 November 2015, we issued a certificate confirming that the Council had discharged its duties under sections 15(2), (3), (8) and (9) of the Measure. Our certificate is contained in [Appendix 3](#).

The Council had made clear progress in developing its performance management arrangements and understood what needed to be done to further refine activities

- 13 In June 2015 we reported that the Council should 'Increase the pace of implementation of improvements to performance reporting arrangements to provide a balanced range of readily accessible information that assists decision making.' In 2016 we assessed the progress being made by the Council.
- 14 We found that the Council had made clear progress in developing its performance management arrangements and understands what needs to be done to improve its prospects for further improvement because:
- a improvements to Service Business Planning are creating a more consistent, collaborative and corporate approach although not all plans reach the same high standard;
 - b improvements to performance management arrangements are supporting the delivery of corporate priorities although performance appraisals require significant improvement;
 - c public access to high-quality performance information is limited and reduces accountability and opportunities for community engagement;
 - d effective use of performance information is supporting improved results and outcomes in some key priority areas; and
 - e corporate support for managers, good self-awareness and a collaborative approach to improvement are promoting a culture likely to sustain improvements in the future.
- 15 The detailed report includes case studies of how four other councils have been refining performance management arrangements in recent years and how this has led to more effective use of their resources which are being used by the Council as a reference point for refining its own arrangements.

Estyn's evaluation of school performance

- 16 The proportion of pupils eligible for free school meals in Swansea is slightly higher than the Wales average. This is taken into account when evaluating the performance in the authority.
- 17 Performance in the Foundation Phase has improved strongly over the last four years. In 2015, overall performance for the Foundation Phase indicator is now in line with performance across Wales. At key stage 2, performance in the core subject indicator has also improved well in recent years. In 2015, performance in this measure is just above the all-Wales average.
- 18 At key stage 3, performance in the core subject indicator has improved rapidly over five years. In 2015, performance in this measure is now in line with the average performance in Wales. At key stage 4, performance in the level 2 threshold including English or Welsh and mathematics has improved strongly in the last three years. In 2015, performance in this measure is well above the benchmark for performance set by the Welsh Government. Similarly, performance in the capped points score indicator has improved well. In 2015, performance is above the benchmark for performance set by the Welsh Government. In 2015, the proportion of pupils achieving five A* or A grades at GCSE or an equivalent qualification is higher than the average for Wales.
- 19 Performance by pupils eligible for free school meals has improved across all main indicators. At key stage 4, in 2015, performance by these pupils in the level 2 threshold including English or Welsh and mathematics is higher than that of similar pupils in other Welsh authorities.
- 20 Attendance has improved well over the last two years and is now broadly in line with the average in Wales in both primary and secondary schools.

The Care and Social Services Inspectorate Wales considered the Council to have made progress in modernising its services and to be in a strong position based on its progress against areas for improvement

- 21 The CSSIW published its [Annual Review and Evaluation of Performance 2014-2015](#) in October 2015 and this is available on its website.
- 22 The CSSIW reported that the Council continues to make progress with implementing the modernisation and transformation programme which it has been working on for the past three years. It recognises the challenges posed by the Social Services and Wellbeing (Wales) Act 2014, which comes into force in 2016. The Council is working to address long-term demand pressures, by building a sustainable, high-quality model of social care. Social services have a clear vision which is underpinned by corporate plans and a strategic framework.

- 23 The CSSIW also reported that the challenges facing the Council were clearly identified in the director of social services' annual report. There are detailed strategic business plans in place for both adult and children's services which set out the values, principles, areas for development, and achievements of the past year. Despite this having been a time of great change, the Council is in a strong position based on the progress against the areas for improvement identified in last year's performance evaluation report.
- 24 The CSSIW recognised there have been significant changes both at a strategic senior officer and operational team level, leading to structural and service reorganisation within adult and children's services. Against a context of significant efficiency savings and budget constraints, this has been unsettling for some staff groups. The Council has committed to minimising the impact of these changes on service delivery to citizens. A joint workshop with the local authority and health board staff is being organised to review and evaluate what has been achieved to date, and to ensure that future progress is built on a strong foundation.

Welsh Language Commissioner's evaluation of performance

- 25 The role of the Welsh Language Commissioner (the Commissioner) was created by the Welsh Language (Wales) Measure 2011. New powers to impose standards on organisations came into force through subordinate legislation on 31 March 2015. The Commissioner will continue to review Welsh-language schemes by virtue of powers inherited under the Welsh Language Act 1993.
- 26 The Commissioner works with all councils in Wales to inspect and advise on the implementation of language schemes. It is the responsibility of councils to provide services to the public in Welsh in accordance with the commitments in their language schemes. Every council is committed to providing an annual monitoring report to the Commissioner outlining its performance in implementing the language scheme. The Commissioner analyses every monitoring report, provides a formal response and collects further information as required. The **response** was published in December 2015.

Use of resources

Audit of the Council's accounts

- 27 On 17 November 2015 the Auditor General issued an Annual Audit Letter to the Council. The letter summarises the key messages arising from his statutory responsibilities under the Public Audit (Wales) Act 2004 as the Appointed Auditor and his reporting responsibilities under the Code of Audit Practice. The Auditor General issued an unqualified opinion on the Council's accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. The Annual Audit Letter can be found in [Appendix 4](#) of this report.

The Council had improved medium-term financial planning, but the pace at which planned savings are being achieved was too slow and accountability for delivering all savings proposals had yet to be resolved

- 28 We undertook our assessment during the period May to October 2015, and followed up issues highlighted in the 2014-15 financial position work. The focus of the work was on the delivery of 2014-15 savings plans, and the 2015-16 financial planning period.
- 29 The work focused on answering the following question: Is the Council managing budget reductions effectively to ensure financial resilience? We considered whether:
- a financial planning arrangements effectively supported financial resilience;
 - b financial control effectively supported financial resilience; and
 - c financial governance effectively supported financial resilience.
- 30 Overall we concluded: 'The Council had improved medium-term financial planning, but the pace at which planned savings were being achieved was too slow and accountability for delivering all savings proposals had yet to be resolved.' We came to this conclusion because:
- a the Council had improved medium-term financial planning arrangements and understood the overall financial savings required but was not achieving specific savings as quickly as planned;
 - b controls were in place for managing most of the Council's financial activity but a lack of clarity about responsibility for delivering some savings targets weakened overall control; and
 - c financial governance arrangements were in place but were weakened by the lack of accountability for delivery of some savings targets.

Appendix 1 – Status of this report

The Local Government (Wales) Measure 2009 (the Measure) requires the Auditor General to undertake an annual improvement assessment, and to publish an annual improvement report, for each improvement authority in Wales. This requirement covers local councils, national parks, and fire and rescue authorities.

This report has been produced by staff of the Wales Audit Office on behalf of the Auditor General to discharge his duties under section 24 of the Measure. The report also discharges his duties under section 19 to issue a report certifying that he has carried out an improvement assessment under section 18 and stating whether, as a result of his improvement plan audit under section 17, he believes that the authority has discharged its improvement planning duties under section 15.

Improvement authorities are under a general duty to ‘make arrangements to secure continuous improvement in the exercise of [their] functions’. Improvement authorities are defined as local councils, national parks, and fire and rescue authorities.

The annual improvement assessment is the main piece of work that enables the Auditor General to fulfil his duties. The improvement assessment is a forward-looking assessment of an authority’s likelihood to comply with its duty to make arrangements to secure continuous improvement. It also includes a retrospective assessment of whether an authority has achieved its planned improvements in order to inform a view as to the authority’s track record of improvement. The Auditor General will summarise his audit and assessment work in a published annual improvement report for each authority (under section 24).

The Auditor General may also, in some circumstances, carry out special inspections (under section 21), which will be reported to the authority and Ministers, and which he may publish (under section 22). An important ancillary activity for the Auditor General is the co-ordination of assessment and regulatory work (required by section 23), which takes into consideration the overall programme of work of all relevant regulators at an improvement authority. The Auditor General may also take account of information shared by relevant regulators (under section 33) in his assessments.

Appendix 2 – Audit of the City and County of Swansea’s 2015-16 and 2016-17 Improvement Plans

Audit of the City and County of Swansea’s 2015-16 Improvement Plan

Certificate

I certify that I have audited the City and County of Swansea’s (the Council) Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Council to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order.

The Council is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Council has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.

As the Council’s auditor, I am required under sections 17 and 19 of the Measure to carry out an audit of the Improvement Plan, to certify that I have done so, and to report whether I believe that the Council has discharged its duties to prepare and publish an Improvement Plan in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the Improvement Plan audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information, or whether the Improvement Plan published by the Council can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Council's Improvement Plan, therefore, comprised a review of the plan to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the plan complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing its plan.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas
Auditor General For Wales

CC: Leighton Andrews, Minister for Public Services
Steve Barry, Manager
Samantha Clements, Performance Audit Lead

Audit of the City and County of Swansea's 2016-17 Improvement Plan

Certificate

I certify that, following publication on 17 March 2016, I have audited Swansea Council's Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Council to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order.

The Council is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Council has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.

As the Council's auditor, I am required under sections 17 and 19 of the Measure to carry out an audit of the Improvement Plan, to certify that I have done so, and to report whether I believe that the Council has discharged its duties to prepare and publish an Improvement Plan in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the Improvement Plan audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information, or whether the Improvement Plan published by the Council can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Council's Improvement Plan, therefore, comprised a review of the plan to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the plan complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing its plan.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas
Auditor General For Wales

CC: Leighton Andrews, Minister for Public Services
Steve Barry, Manager
Samantha Clements, Performance Audit Lead

Appendix 3 – Audit of the City and County of Swansea’s assessment of its 2014-15 performance

Certificate

I certify that, following publication on 29th October 2015, I have audited Swansea’s (the Council) assessment of its performance in 2014-15 in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to annually publish an assessment which describes its performance:

- in discharging its duty to make arrangements to secure continuous improvement in the exercise of its functions;
- in meeting the improvement objectives it has set itself;
- by reference to performance indicators specified by Welsh Ministers, and self-imposed performance indicators; and
- in meeting any performance standards specified by Welsh Ministers, and self-imposed performance standards.

The Measure requires the Council to publish its assessment before 31 October in the financial year following that to which the information relates, or by any other such date as Welsh Ministers may specify by order.

The Measure requires that the Council has regard to guidance issued by Welsh Ministers in publishing its assessment.

As the Council’s auditor, I am required under sections 17 and 19 of the Measure to carry out an audit to determine whether the Council has discharged its duty to publish an assessment of performance, to certify that I have done so, and to report whether I believe that the Council has discharged its duties in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information. Other assessment work that I will undertake under section 18 of the Measure may examine these issues. My audit of the Council's assessment of performance, therefore, comprised a review of the Council's publication to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the assessment complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing it.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Huw Vaughan Thomas
Auditor General For Wales

CC: Leighton Andrews, Minister for Public Services
Steve Barry, Manager
Samantha Clements, Performance Audit Lead

Appendix 4 – Annual Audit Letter – City and County of Swansea Council 2014-15

Mr Jack Straw
Leader
City and County of Swansea
Civic Centre
Oystermouth Road
Swansea SA1 3SN

Dear Mr Straw

Annual Audit Letter — City and County of Swansea 2014-15

This letter summarises the key messages arising from the Auditor General for Wales' statutory responsibilities under the Public Audit (Wales) Act 2004, and reporting responsibilities under the Code of Audit Practice.

The Authority complied with its responsibilities relating to financial reporting and use of resources

It is the Council's responsibility to:

- put systems of internal control in place to ensure the regularity and lawfulness of transactions, and to ensure that its assets are secure;
- maintain proper accounting records;
- prepare a Statement of Accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.

The Public Audit (Wales) Act 2004 requires me to:

- provide an audit opinion on the accounting statements;
- review the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- issue a certificate confirming that I have completed the audit of the accounts.

Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This code is based on International Financial Reporting Standards. On 28 September 2015, the Auditor General for Wales issued an unqualified audit opinion 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. This report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in the Audit of Financial Statements report on 21 September 2015.

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 consideration of the Authority's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed as part of the Improvement Assessment under the Local Government (Wales) Measure 2009. The Annual Improvement Report will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made.

The Auditor General for Wales issued a certificate confirming that the audit of the accounts has been completed on 28 September 2015.

Work to date on certification of grant claims and returns has not identified significant issues that would impact on the 2015-16 accounts or key financial systems

A more detailed report on grant certification work will follow in 2016 once this year's programme of certification work is complete.

The financial audit fee for 2014-15 is currently expected to be in line with the agreed fee set out in the Annual Audit Outline.

Yours sincerely

Kevin Williams
PricewaterhouseCoopers LLP

For and on behalf of the Auditor General for Wales

cc. Cllr. Rob Stewart

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Agenda Item 11.

Report of the Cabinet Member for Next Generation Services

Council – 24 November 2016

MORE COUNCIL HOMES STRATEGY

Purpose:	To establish a strategy for the provision of additional council housing
Policy Framework:	Local Housing Strategy.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The draft strategy and action plan is endorsed for implementation
Report Author:	David Evans
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1. Introduction and Background

- 1.1 Key reforms to the way in which Council housing is financed in Wales means that each of the 11 stock owning Welsh Local Authorities can now forecast more financial resources being available within their Housing Revenue Accounts (HRA).
- 1.2 Whilst it is for each individual Council to determine how to use these resources, the opportunity to directly provide more affordable housing to help fill the chronic shortfall in supply is now available – something that has not been possible for a generation.
- 1.3 There are limitations. The HRA remains a ring fenced account which means that it can only be used for housing purposes and a cap has been imposed as part of the self-financing ‘deal’ which limits the total amount that can be borrowed when existing borrowing and the need to fund investment in the improvement of the existing stock up to the Welsh Housing Quality Standard (WHQS) is taken into account. Also, the financial projections are based on assumptions many of which (particularly rent levels) are outside the direct control of the Council.
- 1.4 Nevertheless, this does represent a significant opportunity and the draft strategy at appendix 1 sets out the level of funding that can be reasonably forecast, the extent of need for more affordable housing in the area, the potential options for making best use of the resources and key recommendations to support a long term development plan.

1.5 With the Council's Local Housing Strategy as a backdrop, the aim of the draft strategy is not to set out in detail a programme of development but to establish a platform and context for those decisions to be taken.

1.6 At appendix 2 is an action plan to take forward the recommendations and related issues that are set out in the draft strategy.

2. Equality and Engagement Implications

2.1 An EIA screening been completed which has concluded that a full EIA report is not required at this time.

3. Financial Implications

3.1 The draft Strategy sets out in some detail the financial context underpinning the plan, with the explicit financial implications of any individual projects that may arise as a result of the strategy, being subsequently approved within the guidelines of the Council's financial procedure rules

4. Legal Implications

4.1 The Housing (Wales) Act 2014 sets out the Welsh Government's vision for housing in Wales and provides the framework to assist local housing authorities in Wales to provide affordable new homes.

4.2 The Act puts in place the necessary arrangements, procedures and timescales to enable authorities to exit the subsidy system, enabling them to become self financing.

4.3 Current housing stock needs to meet the requirements of the Welsh Housing Quality Standard.

4.4 All new build homes will have to comply with the required standards and design codes (including the Welsh Government's Design Quality Standards) if they are to be eligible for any funding support from the Welsh Government (if available).

4.5 Separate legal advice will need to be sought for any individual scheme to ensure that procurement rules are followed and that advice can be provided on legal title to land, planning and section 106 agreements.

4.6 Advice will also be needed from Highways and Planning colleagues regarding the viability of particular schemes.

Background Papers: None.

Appendices:

Appendix A	More Council Homes Strategy
Appendix B	More Homes Strategy: Action Plan

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- 1.3 There are limitations. The HRA remains a ring fenced account which means that it can only be used for housing purposes and a cap has been imposed as part of the self-financing ‘deal’ which limits the total amount that can be borrowed when existing borrowing and the need to fund investment in the improvement of the existing stock up to the Welsh Housing Quality Standard (WHQS) is taken into account. Also, the financial projections are based on assumptions many of which (particularly rent levels) are outside the direct control of the Council.
- 1.4 Nevertheless, this does represent a significant opportunity and the purpose of this strategy is to set out the level of funding that can be reasonably forecast, the extent of need for more affordable housing in the area, the potential options for making best use of the resources and key actions to support a long term development plan.
- 1.5 With the Council’s Local Housing Strategy as a backdrop, the aim of this document is not to set out in detail a development programme but to establish a platform and context for those decisions to be taken.

2. Background and Current Provision

- 2.1 Council’s across the UK have been restricted in directly building new homes for affordable rent since the early 1980s. A succession of Government policies have further inhibited supply with Registered Social Landlords (RSLs) (i.e. Housing Associations) primarily taking on this role using public subsidy in the form of grants to help with development costs and thereby, providing new properties for rent or purchase at affordable levels. Councils have retained responsibility for measuring local need, providing a strategy to meet that need and acting as an enabler to channel Government grant to schemes that best meet local priorities.
- 2.2 At the same time as restricting direct build by Councils, the Right to Buy (RTB) scheme has reduced the number of Council houses available for affordable rent. The total stock of the new Unitary Authority in 1996 was 17,387. Currently, the stock is 13,496, a reduction of 22.4%, largely as a result of the RTB.
- 2.3 The term ‘Affordable Housing’ describes housing which is let or sold at below market rent or value. However, build costs are similar irrespective of the eventual tenure and Government standards can mean that costs can actually be higher for affordable housing. Therefore to be a viable proposition, affordable housing schemes need to be subsidised which can be in the form of lower land values and / or subsidy from Government to help cover some of the costs.

- 2.4 Affordable housing can also be gained through the planning system whereas a condition of the approval, the developer is obliged to return a proportion of the properties as affordable housing or as a commuted sum up to the value of the homes that would have otherwise been provided.
- 2.5 However, despite the available mechanisms, the net result over the years has been a failure to keep up with the demand for affordable housing at a time when house prices have spiralled upwards and the number of Council houses has reduced.
- 2.6 Therefore, whilst on its own the return of Council house building will not fill this cumulative and chronic shortfall in supply, the opportunity to directly contribute is both welcome and long overdue.

3. The More Council Homes Project

- 3.1 To respond to this, a project was initiated within the Council to establish a coherent and deliverable strategy for HRA investment in new affordable housing. The project has examined current and projected needs, locations for development, projections of available funding and options for maximising their use.
- 3.2 This project has the title ‘More Council Homes’ and its key objectives have been to:
- Appraise available options to make best use of the HRA resources to support the provision of more affordable homes in Swansea
 - To provide recommendations on a course of action
 - To identify the resources and organisational requirements to support a programme of ongoing investment.
- 3.3 The project has sought to evidence and bring together three fundamental elements that will collectively form the basis and underpin a coherent plan for the future:

Element	Evidence
What sort of housing needs to be provided?	<ul style="list-style-type: none"> • Local Housing Strategy • Local Housing Market Assessment • Housing Waiting List
Where should the housing be developed	<ul style="list-style-type: none"> • Assessment of HRA owned land • Unitary and Local Development Plans • Housing Waiting List
How can this be achieved to make best use of the resources.	<ul style="list-style-type: none"> • HRA Business Plan modelling • Partnerships and other options

- 3.4 Ultimately, the aim will be to plan a number of individual developments over both the short and long term with each one reflecting the housing need in the given locality, on land that is available, using a funding option that makes best use of the available resources.

4. Financial Context

- 4.1 In April 2015 two major changes that affect the financing of Council housing in Wales took place, the combination of which has made a substantial impact on the forecasted level of resources available within the HRA.

Housing Subsidy System

- 4.2 The Housing Revenue Account Subsidy system (HRAS) was a complex and bureaucratic system whereby all 11 of the remaining Welsh Councils with a housing stock returned a combined total of around £73m in negative subsidy payments each year to the Government. Its replacement with a new 'self-financing' system, allows Councils to retain in full the rental income and to use it to support housing priorities.
- 4.3 For the new system to be introduced, stock owning Welsh Councils contributed to an all Wales 'buy out' from the HRAS and have each taken on additional borrowing to fund this. However, the annual cost of servicing this debt is lower than the previous negative subsidy payments meaning that each Council's HRA is better off as a result.
- 4.4 For Swansea an additional £73.5M was borrowed to contribute to this 'buy out' resulting in interest payments of £3.29m each year instead of the negative subsidy payment of around £5.8m. After taking into account debt repayments, the net benefit of the change is around £1m per year.

Rents Policy

- 4.5 In April 2015, the Welsh Government (WG) introduced a new policy for calculating the level of social housing rents to provide consistency for all social housing providers including Council's and RSLs.
- 4.6 The new policy is based on target rents which are set by the WG and apply to all social landlords in a prescribed area. Whilst the overall target average rent will be set by the WG, there is a discretion for Landlords (subject to transitional arrangements) to set different rents as long as the actual average rent is within 5% (+ or -) of the target average rent. The target average rents for an individual landlord are expressed in three bands. The mid band is essentially the target average rent with the lower band equating to 5% below this and the higher band equating to 5% above. Transitional arrangements are in place to ensure that neither tenants nor Landlords face substantial upheavals in their financial affairs as a result of implementing the new policy.
- 4.7 The Council's policy is to aim for the higher band and although progress in meeting this level is retarded by the transitional arrangements, it does mean an increase in net income over and above that previously forecast.
- 4.8 Rental income is a fundamental component of the HRA Business Plan (HRABP) and is the key financial support for providing more Council housing. However, despite the new self-financing regime, rent policy continues to be outside the direct control of the Council and predicting future levels with any certainty is impossible. For example, social rent policy in England is controlled by Central Government and as part of the 2015 budget statement, the Chancellor of the Exchequer announced

a decrease in social rent levels for the next 4 years. Although self-financing has been in place for English Councils with a housing stock since 2013, many are now revising downwards their new build plans following this announcement. In Wales, housing (including rent policy) is a function devolved to the WG and whilst its current policy allows for a growth in rent levels, there is no guarantee that this position would not be reviewed at some point in the near or long term future. This therefore remains a significant risk within the HRABP.

The HRA Ring-fence

- 4.9 The HRA is a ring fenced account which means that any income from Council house rents has to be used to pay for the running costs of providing Council houses including the management and maintenance costs and capital financing charges on HRA capital schemes (i.e. projects that contribute to the quality or quantity of the Council's housing stock). This means that the HRA cannot be used to subsidise transfers from the Council's General Fund or vice versa.
- 4.10 Any additional forecasted resources are therefore ring-fenced and in calculating the amount that may become available, two important factors have been taken into account – the affordability of the HRA Business Plan and the imposition of the debt cap.

Affordability of the HRA Business Plan

- 4.11 The HRA is not permitted to record a deficit so maintaining a surplus affects the amount that can be afforded in any one year. The HRABP forecasts HRA income and expenditure over a 30-year period using the following key assumptions:
- For **rental income**, the model reflects the WG assumption that the target rent bands will increase by the Consumer Prices Index (CPI) +1.5% until 2020/21 and then by CPI thereafter. The model also assumes that Swansea will maximise rent income by increasing its average rent to the upper band (target rent +5%) as quickly as possible taking into account the transitional restrictions set by the WG. Other income is assumed to increase by CPI. However, as stated previously, rent policy is outside the direct control of the Council and there is a risk that the WG could review its approach.
 - The model assumes that all **revenue expenditure** for both management and maintenance will increase in line with CPI.
 - For **loan charges** the model assumes that interest on the HRAS debt will be the statutory 4.25% and that the interest charge for all other debt both historical and new will be at the Council's prevailing pooled rate (currently nominally 5.14%). The capital repayment (MRP) will be at statutory 2% per annum.
 - **Void Loss and Bad Debts** have been set at 4% of the gross rent income. This will be subject to review once the impact of further welfare reform and the introduction of the Universal Credit is assessed.
 - The model also assumes that the **Major Repairs Allowance** (MRA) capital grant of £9.1M, provided annually by the WG on condition that an acceptable Business Plan is submitted will continue each year for the full 30-year period of the Business Plan. This funding is subject to annual review by the WG and

under current consideration is whether Councils should access other funding streams (currently not available to Welsh HRAs), which could possibly offset the impact of any reduction or withdrawal of the MRA.

- 4.12 The difference between income and expenditure in any year impacts on the level of HRA reserves. The HRA Business Plan sets out the forecast level of HRA reserves based on planned income and expenditure. Good accounting practice assumes that the HRA will retain a prudent level of reserves and it is the amount above this level that provides the capacity to pay for additional borrowing which can then be used to fund the provision of more affordable housing.

The Borrowing Cap

- 4.13 A condition of the exit from the HRAS is the imposition by the UK Treasury of an all Wales debt cap which has been distributed to each Council according to their current HRA debt, the debt needed to exit the HRAS, the debt for known commitments (i.e. WHQS) and a proportion of the headroom between these and the overall cap.
- 4.14 For Swansea's HRA, the total level of indebtedness (i.e. the cap) is just under £221M and the allocated 'headroom' will be subject to review by the WG in future years.
- 4.15 Effectively, the cap restricts the amount of additional borrowing that can be used to fund the provision of new affordable housing by the Council. The level of the all Wales cap may be reviewed by the UK Treasury and this may result in a different distribution by the WG. However, even if via the HRABP, it can be demonstrated that more borrowing is affordable, the debt cap cannot be breached. Therefore, any surpluses that cannot be used to fund borrowing can be used to fund new build but depending on the size of programme, these may take time to accumulate.
- 4.16 Therefore, the combination of the amount that can be afforded and regard for the debt cap are major influences on the overall size and timeframe of the resources available for any new build programme.

Timeframe of forecasts

- 4.17 Whilst the overall HRABP forecasts are for 30 years, to provide a rational programme, the 5-year period from 2016/17 to 2020/21 has been assumed for the financial plan and should be adopted for any subsequent development programme. This also coincides with the target completion of the WHQS programme which in itself will release additional resources.
- 4.18 This 5-year time frame is also usual practice amongst many RSLs in terms of balancing the risk of changes within the HRABP parameters and the need to commit to a programme.

How much is likely to be available?

- 4.19 There is always a degree of uncertainty when forecasting resources into the future and there are significant risks which may impact on the level of resources available. The HRABP is based on a set of assumptions all of which are liable to change over time and some of which are outside the direct control of the Council. The rent income assumptions in the HRABP take into account the current Welsh

Government's Rents Policy which currently has only been guaranteed for one year. In addition, the UK Government has announced substantial welfare reform changes which again could affect the level of rent income collected. The HRABP also reflects the significant investment of £200M in the current housing stock to meet the WHQS by 2020. There will always be risks associated with such a high level of investment and even a relatively low percentage increase in the cost of the WHQS works would impact on the resources available for More Council Homes. These risks are aggravated by the fact that new build schemes can take time to develop and complete which means that resources have to be 'committed' much more in advance.

4.20 The HRABP forecasts that around £10M may be available for new build up to 2020. This would be funded by additional borrowing which would be spread out over the next 5 years with the bulk of the borrowing being taken out towards the end of this period once the available reserves have accumulated. Given the risks set out in 4.19 above it would be financially prudent to only commit a proportion of the forecast available resources and it is recommended that a figure of around £6M is used for planning purposes at this stage from which provision for the cost of the pilot schemes (described in 6.5 and 6.6) will need to be made.

4.21 Forecasting resources beyond 2020/21 is highly speculative although with the planned completion of WHQS and rents at the higher band, additional surpluses are almost certain to arise. The key issue is the proximity of total borrowing to the level of the debt cap and how much headroom is available. This will fluctuate considerably from year to year as existing debt is paid off. Although there is likely to be a future review of the all Wales level, depending on the amount borrowed for WHQS and new build between now and 2020/21, it is likely that the majority of funding post 2021 will come directly from revenue (i.e. it will be funded by the difference between income and normal expenditure in each year). Whilst these sums are likely to remain significant, it will have a profound effect on planning a new build programme as time will need to be allowed for the level of surpluses to accumulate.

4.22 Given the risks highlighted above it is suggested that the Council earmarks the affordable housing monies, received through section 106 contributions, to further support the new build programme. This money has traditionally been used to support the Social Housing Grant Programme, however this was agreed before the Council was able to build new housing itself.

5. Housing Need

5.1 The primary evidence of projected Housing need is the Local Housing Market Assessment (LHMA) as this takes into account predicted changes across a range of socio economic and demographic factors. However, the current waiting list and real time market intelligence also play their part in determining the size and type of housing needed in a particular locality.

Local Housing Market Assessment

5.2 LHMA's provide the intelligence that helps to inform current and future requirements on a relatively local basis and the nature and level of housing demand and need within Swansea. As such, it provides an authoritative evidence

base for deciding what type of housing should be provided to best meet need in any given locality.

5.3 The most recent LHMA was carried out in 2012 and published in 2013 by Opinion Research Services (ORS). It was a joint commission by the City and County of Swansea and Neath Port Talbot County Borough Council to carry out a comprehensive study of current and future housing requirements, housing mix and housing need. It was undertaken in full accordance with the requirements of the Welsh Government.

5.4 The full explanation of the methodology and the parameters used in the modelling are set out in the current Local Housing Strategy and in the draft Local Development Plan (LDP). The LHMA highlighted several significant features in terms of household size, age structure and affordability, which will influence the demand for housing (particularly for affordable housing) in Swansea.

- **Household Size:** Between the 2001 and the 2011 Census, Swansea's population increased by 15,700 to a total of 239,000 people, representing an increase of 7.0%. This includes 234,400 residents living in 103,500 households, representing an average household size of 2.26 persons. The remaining residents occupy communal living establishments including care and nursing homes, services and student accommodation. Furthermore, the total number of households in Swansea increased by 9,100 in the same period. The upward growth trend identified in the 2011 Census is continuing on a similar trajectory in Swansea both in terms of population numbers and also in terms of household numbers. Between 2013 and 2014, Swansea's population increased by approx. 1,000 (+0.4%) to 241,300. By mid 2013, there had been a further increase of 700 households in Swansea (0.06% increase) since the publication of the last Census figures. These increases will put further pressure on the housing market in Swansea where the supply of housing in all tenures is not keeping pace with demand.
- **Age Structure:** Comparing the age structure for the population in Swansea against the whole of Wales shows a higher proportion of young adults aged 15-34 years, and particularly those aged 20-24 (largely as a result of the significant local student population). Swansea also has a slightly higher proportion of residents aged over 75 compared to the Welsh average. This demographic, coupled with a growth in the number of older residents (whether single people or couples) will need to be reflected in a housing requirement for smaller properties across all tenures.
- **Affordability:** In terms of affordability, over 46% of non-homeowners in Swansea have incomes of under £10,000 per annum, while 72% have incomes under £20,000 per annum. Assuming that housing costs (to be affordable) do not exceed 25% of income, many of these households could afford no more than social rent and many would need Housing Benefit support to meet the cost of social rents in Swansea

5.5 The Government's continuing reform of the welfare system is likely to lead to a greater demand for smaller accommodation as well as for an increase in shared accommodation for single persons under 35 years. Previously, single people aged over 25 were entitled to Housing Benefit to cover one bedroom, self-contained accommodation. The changes mean that single people aged up to 35 will now be

assessed using the lower shared accommodation rate. This is likely to increase demand for Houses in Multiple Occupation (HMO) accommodation within Swansea.

- 5.6 **Area Variations:** The results of the assessment show that despite being relatively prosperous, the areas further west in Swansea demonstrate a requirement for affordable housing due to having both the highest house prices and lowest build rates. The Swansea North area has a significant demand for new housing, although has historically seen low levels of house building primarily attributable to a lack of developer interest. Areas in the east of the city typically show less of a requirement for affordable housing mainly due to sufficient quantity of affordable private sector dwellings in this area. The greater North West area of Swansea has the greatest requirement for market dwellings and the greatest capacity to deliver.
- 5.7 **Number of Units:** On the basis of available evidence, the projections in the LHMA indicate a requirement over the LDP period (2010 to 2025) for an additional 17,100 new dwellings. Of these, around 7,400 should be for a mix of affordable rent or sale.

Housing Waiting List

- 5.8 Whilst the LHMA will show the type of housing that people want and aspire to across all tenures, the waiting list for affordable housing provides evidence of a particular need. However, both the LHMA and the current waiting list suggest the main demand in the social housing sector is generally for smaller properties.
- 5.9 For example, including tenant transfer applications, there are currently 3,073 separate applications on the housing waiting list of which single people and childless couples account for 43% (1,334). After adding OAP single persons and couples, this figure rises to 55% (1,695). Of the single persons on the list, 23% are aged below 25 (261). In terms of the types of property that applicants have applied for, 57% have applied for 1 bed properties, 29% for 2 bed properties and 10% for 3 bed properties.
- 5.10 The current waiting list indicates a demand for 1 bedroom accommodation, which is exacerbated by the relatively low number of such properties in the social housing sector. This unmet need is also compounded by those on the current waiting list who are applying to downsize to 1 bedroom accommodation.
- 5.11 Currently 31% of non-tenant applications are from those in the family home, staying with friends, having no accommodation or staying in bed & breakfast. A further 27% of applicants are from those in the Private Rented Sector. These figures indicate applications from people in acute housing need who are either homeless, potentially homeless, threatened with homelessness and/or lack security of tenure. Welfare reform is likely to have a significant impact not only on those already in accommodation but also by preventing people from being able to secure their own suitably sized accommodation which help to explain the high figure of those living with family and friends.

Hometrack Market Intelligence

- 5.12 Hometrack's Housing Intelligence System is a web based application which provides up to date property market information. The system provides for the

analysis of information on a number of boundary levels including Lower Super Output Area (LSOA) and ward level. The system is used in support of local and strategic housing market assessments, planning viability, financial assessments for affordable housing, planning & developer negotiations, development appraisals and price setting.

- 5.13 Relevant Hometrack housing intelligence includes house price to earnings ratios, affordability based on disposable incomes, the costs of home purchase and rents.
- 5.14 The data provides real-time evidence on a site-by-site basis to consider tenure mix, size mix (including within each tenure) and a range of affordability information including preferred sale price should the scheme include market housing. This helps mitigate some of the risks with developments through understanding the dynamics of very local housing markets. The software also provides detailed information about income and affordability, which identifies appropriate cost thresholds for sizes and tenures.

Combining and Using the Evidence

- 5.15 The three evidence sources serve slightly different purposes. The LHMA is the most authoritative in terms of projecting housing demand. However, it can only provide the strategic backdrop to deciding the type and tenure mix on any given development. The Housing Waiting List is current and is an accurate portrayal of current need. However, it only registers the needs of those that have applied and will not necessarily reflect the type of housing they may be able to afford and aspire to. The real time software will provide a range of market data to help determine the viability of a scheme and what the local market could support. However, in the context of providing more Council housing, the primary use of this market intelligence is to calculate the amount that market sales could potentially yield in order to subsidise the amount of housing let for affordable rent.
- 5.16 Therefore, the type of housing in any one development needs to refer to all three evidence sources in combination on a scheme-by-scheme basis and take into account any local variations.

6. The Supply of Land

- 6.1 Along with an assessment of housing demand and housing need, the supply of land is a key factor for the delivery of affordable homes in Swansea. The development programme for delivering new Council housing relies on a supply of sites that are capable of being developed. To give a manageable perspective and in keeping with practices in the RSL sector, a development programme should look to 5 year intervals with the subsequent 5 year plan developed by year 3 in the cycle. The eventual selection of sites for development in any one 5 year period will be influenced by housing need, the housing market, changes in the HRABP and contractor capacity, all of which will change over time.
- 6.2 Progress with the development programme will be reliant on the supply of land and the viability of each scheme will to some degree, rely on current ownership and whether there are any acquisition costs.
- 6.3 The HRA sites that have potential for inclusion in any future development programme have already been submitted as candidate sites as part of the Local

Development Plan (LDP). These will form the starting point for future discussions on the development programme although sites not currently under HRA ownership should also be considered.

Specification

- 6.4 The Council is keen to explore energy efficient low carbon housing to address fuel poverty of occupants in Swansea. The current pilot schemes (detailed below) are testing the Passivhaus specification and the findings from this will inform future developments. All new Council housing will need to be built to the Welsh Government's 'Design Quality Requirements' (DQR) which is likely to become a mandatory standard for all new social housing and includes the requirement to achieve the Lifetime Homes Standard. This will ensure that the homes are sustainable for people as they get older and will not have to move home. The Council will also ensure that new developments will achieve the principles of Secure by Design.

The More Homes Pilot schemes

- 6.5 In addition to developing the overall More Council Homes strategy, 2 pilot schemes are already underway. These schemes are being funded directly by the HRA and the objectives of the pilots are to test a number of issues which in turn will help inform the longer term strategy. These include:

- Overall financial viability of directly developing new Council housing
- The practical, organisational and capability issues that will need to be addressed as part of the ongoing More Council Homes programme
- Specification options to balance the viability of the scheme with the affordability for the occupants and overall sustainability of the design.

- 6.6 The pilot schemes are on land at Parc Y Helig Birchgrove and at Milford Way, Penderry. The Passivhaus specification has been used and data on its performance and cost will inform the specifications for future developments.

Sites linked to WHQS Priorities

- 6.7 The Council is under a legal obligation to improve its current stock up to the requirements of the WHQS. The required investment is significant although the programme remains on course to meet the 2020 deadline. There are significant variations in the improvement works required depending on the property type, age and condition.
- 6.8 Up to now, any consideration of alternative options (i.e. demolition and replacement of the stock) has been shown to be less cost effective due to the additional costs involved (i.e. demolition and compensation), the build cost of the replacement stock and the practical difficulties of replacing the same or higher number of properties lost in the same area.
- 6.9 However, the opportunities arising from the financial reforms to invest in new build provide a fresh perspective and context to such appraisals, especially where there is adjacent HRA land that could be developed as part of an overall package.

6.10 Such locations will need to be the subject of separate and detailed option appraisals, but the concept should be included as part of this overall new build strategy and taken into account as part of the initial programme.

General Programme Limitations

6.11 Whilst in due course, locations for potential development areas for each 5 year cycle will need to be identified, subsequent site investigations may reveal that they cannot be taken forward within the initial programme due to unforeseen circumstances (i.e. site abnormalities and / or changes within the HRA Business Plan). As a result it may be that sites scheduled for the longer term may need to be brought forward.

6.12 Also, depending on the adopted delivery model, the capacity of external agents such as planning consultants, developers and contractors will impact on the programme and its priorities.

6.13 The detailed tests of viability, scheme design and costs will need to be modelled on a site by site basis which may result in more or fewer homes being delivered than expected.

6.14 Viability alone will not mean that sites cannot be brought forward but it will affect where they sit in the programme to ensure they do not place a drain on resources and affect the HRA Business Plan. All sites will have risks and it is important that there are robust risk management processes in place and that the risks are shared and regularly reviewed.

6.15 An investigation of all HRA land and assets will be carried out and appraised in preparation for a development programme which will be continuously reviewed. This is to ensure that future schemes are appropriate and sustainable in terms of the housing market, demand and affordability.

7. The Strategic Options

7.1 Whilst the HRA Business Plan projects resources to be available for new build, they will be insufficient on their own to fill the significant deficit between the number of affordable homes needed and supplied. There are also limitations on the amount of finance available for new build and what tenures the Council can provide.

7.2 The ring-fence means that any investment needs to benefit the HRA and not subsidise the provision of other forms of housing. Part of the negotiated exit from the subsidy system included the imposition of a cap on total borrowing, including that needed for new build. Whilst there will be revenue resources available, the cap on borrowing will limit the rate of supply of new homes for affordable rent by the Council.

7.3 In addition, as things currently stand, new Council housing would be let for social rent whereas in many locations, a mix of tenures alongside affordable housing (such as low cost ownership and market housing) is both desirable from a planning policy perspective and would be more economically efficient to provide.

7.4 A variety of separate options have been assessed but they boil down to whether the HRA is the sole funder or whether these resources are used to support a partnership arrangement with a developer.

HRA Sole Funder

7.5 The economic case for the HRA to be the sole funder of new Council housing has significant limitations in that:

- Rents have to remain within the prescribed target bands
- It is unlikely that Major Repairs Allowance will be available to help with any ongoing maintenance and improvements
- Overall borrowing is limited by the debt cap.

7.6 Whilst access to other forms of public subsidy via Social Housing Grant or Housing Finance Grant may be available, overall levels are likely to be minimal. The economic case for direct funding is further eroded if meeting the need for social rented housing in a particular location required the acquisition of non HRA owned land, and as the use of HRA resources are bound by legal and accounting provisions, the tenure options that the Council could offer may be limited.

7.7 Where there are small pockets of HRA land where the overriding need is for more Council housing and the size of the site limits any other form of tenure, it would be appropriate for these to be directly provided and wholly funded by the HRA. However, the overall numbers are likely to be limited.

Working in Partnership

7.8 The more viable, effective and productive option is to use HRA resources (whether in terms of funding or use of assets) as a contribution to working in partnership with others in order to maximise supply across all tenures – including the provision of more Council housing. Partners could be private developers, RSLs or a combination of both.

7.9 Partnership working is becoming a common approach and one adopted by other Welsh Councils who find themselves in a similar position.

7.10 The type of partnership arrangement will depend on a number of factors including the availability of HRA resources and the value and viability of land in HRA ownership. However, for illustrative purposes, a typical outcome would be a mixed development of affordable housing (which could be a mix of homes for social rent and / or low cost home ownership) and homes for market sale, provided on HRA owned land. The cost of the development would be subsidised through a combination of low or nil land value and possibly a funding contribution from the HRA. The number of units returned for rent as Council Housing is then negotiated with the developer and subject to viability testing.

7.11 In many cases, several pockets of land in different areas could be put into the mix and their individual values taken into account as one package allowing an element of cross subsidy between locations to achieve the best outcomes in the given area.

- 7.12 In relation to the partnership arrangements, some Councils have entered into long term relationships and packaged land into tranches of development. This brings a degree of certainty and mitigates some of the risks for the developer which should result in economies of scale.
- 7.13 However, the arrangement needs to take into account local economic factors and the availability of funding to help support the programme. These will vary from area to area and the risks that a developer is willing to take. However, a starting point will be to select the tranches of land to be included in such an arrangement and subject them to independent valuation to ensure the data can be used as the basis for the viability negotiations.

The Council as a Partner

- 7.14 A possible option is for the Council to be its own partner and such an arrangement is worthy of exploration. In this case, a distinctive developer function would need to be established in possibly, an arms length arrangement but within the organisation of the Council. This separation may allow the provision of new housing for renting as Council housing by the HRA and in addition, homes for market sale to help viability and a range of tenure options in between (i.e. low cost home ownership, sub market rent or if needed, private sector lettings).
- 7.15 Such a separation may overcome the HRA ring fence anomaly and the risks associated with market sale etc. would be limited to the Local Housing Company.
- 7.16 Such an arrangement will need to have its own governance arrangements to reflect its distinction from the Council in general. However, there are a number of models that could be considered.

Asset Valuation

- 7.17 A key component of taking forward a development programme is the detailed, accurate and up to date valuation of HRA land and assets. In particular, an independent valuation will provide the basis for negotiation with potential development partners on scheme viability and will inform a HRA asset management plan which may also include disposals to help fund a wider programme of development. This will include high level viability testing on sites to test the numbers, unit types and tenures that could be delivered which will help the council determine the best approach for each site, either as a stand-alone or as a package of locations. This approach will also allow cross subsidy between less valuable and more profitable sites.

8. The Conclusions

- 8.1 As set out previously, the objective is to link the **what** (i.e. the need) to the **where** (i.e. the availability of land) and the **how** (i.e. the most effective delivery model) into a coherent development strategy that secures all three. The eventual aim will be to establish a programme that delivers homes that are required in areas they are needed using a funding model that is affordable and maximises delivery.
- 8.2 A time frame of 5-year tranches has been put forward to allow sufficient time for the agreed developments to progress and to minimise the risks from any changes in the Business Plan assumptions.

8.3 Becoming a developer of housing (either directly or in partnership with others) will be a new and challenging role for the Council and in addition to the known evidence of need and the availability of land, other issues which have influenced the broad conclusions are as follows:

- There is no absolute certainty on the level of finance that will be available. There are key assumptions around income and expenditure in the HRABP (some of which are outside the direct control of the Council) and changes in any one aspect can have a significant impact on the amount available.
- The initial programme will occur at the same time as considerable investment is continuing into the improvement of the existing stock. This will change post 2020 when the standard is achieved but up until then, it remains the priority for investment.
- There are commercial type risks surrounding development which will need to be taken into account. Individual developments will take time to assemble and commission and if they involve partnership arrangements, then these will take longer to establish.
- Taking on the developer role will require the acquisition of new skills and capacity within the Council at a time when the focus for housing investment remains the achievement of the WHQS and when other Council services which will need to help support this new role (i.e. legal, finance etc.) are facing significant budget pressures.
- Developments that require the direct involvement of others (either through a procured or partnership arrangement) will take time to arrange. Once in place, the model can then be repeated but in the early stages, time will need to be set aside for the procurement process.
- If the preference is for the Council to provide the developer partner role within the overall organisation of the Council, then this will take time to research and create, to ensure the model is the most robust and effective for the local context.

8.4 All of these factors will have a bearing on the shape of the programme and the rate at which it can be delivered. As such, the following principles will need to underpin the initial programme:

- Focus on smaller developments to ensure they are affordable within the HRA Business Plan at a time when considerable investment is being made in the existing stock, the headroom below the borrowing cap is limited and capacity is being built within the Council.
- Use of HRA sites only to avoid any acquisition arrangements that could delay the progress of schemes and negatively affect viability.
- Continue some small schemes where the sole funder is the Council but also, procure a developer to become a preferred partner for other areas and in particular, for those identified in the 5 – 10 year programme and / or create an

arrangement for the Council to provide this function directly either in tandem or instead of the procurement option.

Acquisitions

- 8.5 The acquisition of new or existing housing which would then be added to the HRA stock would be a relatively quick and cost effective way of providing more homes. Housing provided by developers as part of their planning obligations for affordable units could be acquired by the Council at a cost substantially below the build costs.
- 8.6 There is also the possibility of acquiring market housing (new or existing) for affordable rent or sale where other means of meeting need is limited, particularly empty homes. However, the viability of each proposal would need to be considered on a case by case basis. A further recommendation of this strategy is to include acquisitions in the overall plan.

Wider Objectives and Priorities

- 8.7 Whilst this plan is for the use of HRA resources, the More Council Homes Strategy will complement the wider role of the Council in enabling the provision of more affordable housing generally (primarily through channelling grant to RSLs and planning gain through section 106 agreements). The overarching plan is the Authority's Local Housing Strategy and the provision of more Council housing via 'More Council Homes' is and will be an integral part of the Council's wider strategic aims and contribute to delivering the Council's corporate objectives, particularly in terms of 'Creating a vibrant and viable City and economy', 'Tackling poverty' and 'Building sustainable communities'.
- 8.8 With this in mind, a further conclusion is to allow financial provision for any contribution the HRA can make in support of corporate priorities, specifically the regeneration of the City Centre. At the time of writing, the precise development had yet to be agreed and the extent of the housing dimension is unclear. Any contribution by the HRA would need to satisfy the legal and accounting provisions.

The Programme Costs

- 8.9 Whilst an indicative line has been included in the HRA Capital budget, it is not possible at this stage to provide accurate costs of any partnering arrangements as scheme viability will be assessed on a case by case basis. The cost of any acquisitions will be dependent on market forces although in terms of any gain through section 106, the costs will be significantly discounted. The pilot schemes are intended to test and establish the budget implications and resource requirements of the Council directly funding and building new Council housing.

Number of Properties to be Supplied

- 8.10 In terms of the number of properties to be delivered, it is difficult to determine until viability has been established on a case by case basis. However, by maximising the opportunities that can be used within the development options, the aim of the programme will be to make a significant contribution to the housing supply deficit mentioned in 5.7.

Programme Timescale

- 8.11 Completion of the two pilot schemes will be the priority in terms of delivery as they will provide invaluable learning and data for the longer term.
- 8.12 In terms of the partnership arrangements, the assessment of the right model of partnership for Swansea and the procurement process itself is likely to take time to complete. Therefore, a meaningful number of completions within the first 5 years is unlikely but adopting a partnership model as the predominant feature of the 5 – 10 year programme will tie in with the changed financial outlook of the HRA.
- 8.13 In terms of acquisitions, depending on how the opportunities present themselves, these could feature very early in the programme and throughout the plan.

9. Programme Risks

- 9.1 The return to direct provision of more Council houses will help fill the chronic shortfall in the supply of affordable housing. It will also contribute to wider regeneration and decisions on specifications, quality and design will largely be for the Council to take (subject to planning consent and relevant building regulations). The economic benefits and opportunities (both short and long term) which stem from such a programme are significant but expectations need to be tempered as this is not without risk. Most have already been highlighted in this report and a summary of the key risks are as follows:
- 9.2 **Business Plan Risks:** The HRABP is based on a number of key assumptions many of which are outside the direct control of the Council. Of particular concern is the policy for social rent levels which is controlled by the WG. The main source of revenue that will fund the provision of more Council housing is the rental income and even slight changes in the percentage increases assumed in the HRABP will have a significant impact on the resources available.
- 9.3 **Development Cost Risks:** Whilst there will eventually be a degree of certainty on the build costs (subject to usual contingencies and dependant on the specification), unforeseen issues with the site, infrastructure items and any local considerations will impact on the eventual costs. The budget will need to be agreed and set aside well before the on site development so there is a considerable risk to budget planning and the impact on other schemes in the wider programme if appropriate contingencies are not built in.
- 9.4 **Time Risks:** On a similar vein to the above, appropriate allowance needs to be built into the time frame for the programme. In addition to potentially costing more, some of the unforeseen events will also impact on the programme time which will also have a potential knock on effect with other schemes.
- 9.5 **Partnership Risks:** As set out in the option appraisal, schemes developed in partnership with others offer considerable advantages in terms of tenure mix, expertise and shared risk and rewards. However, it also means a reliance on the chosen partner to deliver, who may be subject to other constraints not least the other schemes they may have elsewhere. Safeguards will need to be built into the contractual arrangements. However, partners will be more immediately exposed to changes in the market not least any changes in the wider economy.

- 9.6 **Other Funding Risks:** If the scheme relies on additional external funding then dialogue with funders may be needed which might impact on the time frame. Given that the time between initial concept to detailed design and planning is lengthy anyway, commitment from any additional funding partners poses an additional risk to progress and overall viability.
- 9.7 **Capacity Risks:** A considerable time has elapsed since the last time the Council directly provided new Housing and it will take time for the organisation to reacquire the skills and capacity to support a full scale programme. New skills in relation to the development function will also need to be developed. This will inevitably impact on the programme but investment in the short term will yield results in the longer term. A key objective of the pilot schemes is to identify and grow capacity in the organisation.
- 9.8 **Commercial Risk:** Whilst individual schemes will reflect all the available evidence of need and demand, there is an element of speculative risk inherent in any new build development. Schemes can take years from initial concept through to completion and handover in which time, markets can change. This is particularly relevant to the size mix of the properties where developments will need to take into account potential future demand and demographic changes if the scheme is to be sustainable over the longer term. The impact of the Council house development programme itself on the wider market will also need to be factored in.

10. Resources and Governance

- 10.1 The development of new housing for affordable rent will be a new and challenging role for the Council. However, the benefits in terms of directly influencing the supply of good quality and affordable homes are significant. The contribution such a programme will eventually make to other corporate priorities and the wider community and economic benefits are also significant.
- 10.2 The amount of additional resources that are likely to be generated by the HRA from the financial reforms, the ongoing sound management of services and completion of the WHQS programme are also considerable.
- 10.3 The challenge of enabling and maximising the delivery of the development programme are equally significant and although the emphasis in this strategy has been on the immediate 5 years, the direct development of new housing will be a long term venture for the Council requiring new and different resources as well as a fresh approach to Governance,
- 10.4 In terms of resources, additional measures will be needed on a permanent basis to help support the 'Client' side part of the operation. This function includes defining the type and size of housing to be developed on the specific site taking into account the Local Housing Strategy, Local Housing Market Assessment, the Housing Waiting List and other data relating to demand. The function also includes feasibility and viability assessments for development, option appraisals, development and management of partnership arrangements, procurement of specialist services, budget management, oversight of the Business Plan and liaison with related services and wider stakeholders.
- 10.5 In terms of governance, the assessment of the partnership approaches may include the establishment of 'arm's length' arrangements in order to maximise and

stretch the available resources and this will inevitably impact on the way in which the programme is managed.

- 10.6 There are also some functions within the Council where there will be conflicting interests which need to be taken into account. The Council directs the provision of Social Housing Grant and / or Housing Finance Grant to schemes by RSL's that are in keeping with the Council's priorities. In future, this may be at odds with the Council's development role as the possible receiver of such public subsidy. There are also conflicts with the role of planning and highways having direct involvement in scheme design prior to the formal planning decision if those officers will then have to make a recommendation on that scheme.
- 10.7 As a Planning Authority, the Council has very clear obligations to ensure the supply of new housing is in areas that meet strategic objectives. However, as a developer, these may conflict with the locations that are more suited to the viability of the HRA Business Plan.
- 10.8 The development function also includes risk. For example, the development of new housing can take years from concept to final delivery and in that time, there may be changes in terms of public policy and the availability of funding. This is not without its cost especially as funds may need to be spent on site investigations, planning briefs, design, partnership arrangements and funding contracts.
- 10.9 Therefore, the forward plan needs to include an appraisal of the governance arrangements for the development of new Council housing to ensure that the programme (in addition to meeting housing need) best meets the corporate priorities of the Council and also, maximise and makes best use of the available resources in the most effective and efficient way.
- 10.10 An essential component of the next steps will be the development of a detailed and manageable action plan to support and underpin the delivery of the recommendations set out in this strategy.

11. Recommendations

- 11.1 That in order to make best use of the resources available within the Housing Revenue Account Business Plan to support the provision of more affordable homes in Swansea, the Council adopts a strategy that includes:
- a) The undertaking of small scale developments funded solely by the HRA to test new specifications on sites where a partnership option is non-viable due to the size of the site
 - b) The procurement of development partners to develop a package of larger sites for mixed tenure developments including an element of cross subsidy to maximise the number of units that can be provided
 - c) The acquisition of properties by the Council as a result of Section 106 planning obligations or via the market and subsequent letting of homes subject to detailed viability and cost appraisals on a case by case basis.
 - d) The acquisition of non HRA land for development where scheme viability can be established

- e) The further investigation into the possibility of introducing arrangements for the Council to undertake the developer partner role
 - f) Provision for any contribution from the HRA as part of the City Centre Regeneration plan.
 - g) Provision to address sites linked to WHQS priorities if the option appraisal determines that refurbishment is not viable.
- 11.2 That a review is undertaken of the governance and resource arrangements needed to support the new build programme. The financial implications of any project within the programme shall be approved within the Council's required financial procedure rules before it proceeds.
- 11.3 That authority to oversee the strategy and action plan and to determine the detailed programme of development is delegated to the More Homes Officer / Member Steering Group.

More Council Homes Strategy: Action Plan

Ref	Reference in Strategy	Action	Tasks	Anticipated Completion	Responsibility
Page 64	Recommendation 11.1 a)	The undertaking of small scale developments funded solely by the HRA to test new specifications on sites where a partnership option is non-viable due to the size of the site	1. Evaluate the costs of the pilot schemes to determine the viability of sole funding by the HRA for future developments.	Complete evaluation based on estimated costs by end of October 2016	More Council Homes Project / Corporate Building and Property Services
			2. Assess location options for small scale developments funded solely by the HRA for providing new Council Housing where working in partnership with others is unlikely to be viable.	Complete assessment of options against the criteria by end of January 2017.	More Council Homes Project / Corporate Building and Property Services
			3. Evaluate the specification of the pilot schemes to determine options for future schemes	Complete assessment 12 months after first occupation	More Council Homes Project
			4. Continue to explore specification options to maximise the energy efficiency of the dwelling	Pursue opportunities as and when they arise.	More Council Homes Project
2.	Recommendation 11.1 b)	The procurement of development partners to develop a package of larger sites for mixed tenure developments including an element of cross subsidy to maximise the number of units that can be provided	1. Procure a partner(s).	Procure by end of July 2017	More Council Homes Project / Corporate Services (Procurement)
			2. Negotiate with the partner a package of sites for mixed tenure development that is viable and affordable.	Complete and report outcomes by end of September 2017	More Council Homes Project.
			3. Procure the required expert legal advice to the Council for the development process to ensure the Council's interests are protected.	Procure by end of July 2017	More Council Homes Project / Corporate Procurement Team / Corporate Services (Legal)

3	Recommendation 11.1 c)	The acquisition of properties by the Council as a result of Section 106 planning obligations or via the market and subsequent letting of homes subject to detailed viability and cost appraisals on a case by case basis.	<ol style="list-style-type: none"> 1. Consider each planning obligation to assess if the HRA should acquire the social rented units as council housing. 2. Ensure that social housing for council housing is requested on every site where applicable. 3. Consider purchase of market homes in areas where there is need for more council homes and where a shortage of land or council housing exists. 	<p>Pursue opportunities on a case by case basis as and when they arise.</p> <p>Pursue opportunities on a case by case basis as and when they arise.</p> <p>Pursue opportunities on a case by case basis as and when they arise.</p>	<p>More Council Homes Project</p> <p>More Council Homes Project</p> <p>More Council Homes Project</p>
4.	Recommendation 11.1 d)	The acquisition of non HRA land for development where scheme viability can be established.	<ol style="list-style-type: none"> 1. Liaise with Corporate Property to ensure that any general fund sites for disposals are offered to the More Council Homes project for first consideration. 2. Consider private land purchase where there is demand but a shortage of HRA or GF land. 3. Assess the viability of potential acquisitions to provide more Council housing. 	<p>Pursue opportunities on a case by case basis as and when they arise.</p> <p>Pursue opportunities on a case by case basis as and when they arise.</p> <p>Pursue opportunities on a case by case basis as and when they arise.</p>	<p>More Council Homes Project</p> <p>More Council Homes Project</p> <p>More Council Homes Project</p>
5.	Paragraph 7.17	Procurement of an independent valuation of HRA land assets.	1. Procure independent specialists to undertake a valuation of the Council's HRA land assets and to assist the Council in the detailed negotiations on viability with any external partners in the development process.	Procure by end of December 2016	More Council Homes Project / Corporate Services (Procurement)

6	Paragraph 7.3	Investigate the Council providing homes for market sale funded via the HRA for the provision of additional Council housing.	1. Investigate the feasibility, viability and practical implications of the Council providing homes for market sale funded by the HRA for the provision of additional Council housing, using external expertise if needed in terms of the legal and financial aspects.	Investigate and report back by end of November 2016	More Council Homes Project / Corporate Services (Legal and Finance)
7	Paragraph 7.3	Investigate the Council providing homes for market sale funded by the Council's general fund as a commercial opportunity to secure additional funding.	1. Investigate the feasibility, viability and practical implications of the Council providing homes for market sale funded by the Council's general fund as a commercial opportunity to secure additional funding, using external expertise if needed in terms of the legal and financial aspects	Investigate and report back by end of January 2017.	Corporate Services (Commercial Services)
Page 66	Paragraph 6.5	Investigate the Council directly undertaking the building of homes for affordable housing or for market sale.	1. Investigate the feasibility, viability and practical implications of the Council directly undertaking the building of homes as affordable rent or for market sale using external expertise if needed.	Investigate and report back by end of February 2017.	Corporate Building and Property Services / Corporate Services (Commercial Services)
9.	Recommendation 11.1 e)	The further investigation into the possibility of introducing arrangements for the Council to undertake the developer partner role	1. Investigate the feasibility, implications and options for the Council to undertake the developer role, using external expertise if needed.	Investigate and report back by end of December 2017	More Council Homes Project
10	Recommendation 11.1 f)	Provision for any contribution from the HRA as part of the City Centre Regeneration plan	1. Ensure appropriate involvement of the Project in the City Centre Regeneration process. 2. Where applicable, evaluate options of acquiring properties for Council housing alongside RSL's and private investors.	Ensure involvement depending on agreed corporate approach to oversee the overall process. Pursue opportunities as and when they arise	More Council Homes Project / Economic Regeneration and Planning Service. More Council Homes Project / Economic Regeneration and Planning Service

11	Recommendation 11.1 g)	Provision to address sites linked to WHQS priorities if the option appraisal determines that refurbishment is not viable.	Assess locations and undertake an appraisal of development options.	Complete appraisals by June 2017.	More Council Homes Project
12	Recommendation 11.2	That a review is undertaken of the governance and resource arrangements needed to support the new build programme.	Undertake a review of the governance and resource requirements needed to support the provision of new Council Housing.	Review and report back by June 2017	More Council Homes Officer / Member Steering Group Project
13	Recommendation 11.3	That authority to oversee the strategy and action plan and to determine the detailed programme of development is delegated to the More Homes Officer / Member Steering Group.	Confirm authority to oversee the strategy and action plan and to determine the detailed programme of development is delegated to the More Homes Officer / Member Steering Group.	Endorse by Council by end of November 2017	Council

Agenda Item 12.

Report of the Cabinet Member for Finance and Strategy

Council – 24 November 2016

COUNCIL TAX BASE CALCULATION 2017/18

Purpose: This report details the calculation of the Council Tax Base for the City and County of Swansea, its Community Councils and the Swansea Bay Port Health Authority for 2017/18. The Council is required to determine the Council Tax Bases for 2017/18 by 31 December 2016.

Policy Framework: None

Reason for Decision: To comply with statutory requirements.

Consultation: Legal and Finance.

Recommendation: The calculation of the Council Tax Base for 2017/18 be approved.

In accordance with the Local Authorities (Calculation of Tax Base) (Wales) Regulations 1995, as amended, the calculation by the City and County of Swansea Council for the year 2017/18 shall be:

For the whole area 89,465

For the area of Community Councils:

Bishopston	1,965
Clydach	2,603
Gorseinon	3,136
Gowerton	1,944
Grovesend & Waungron	407
Ilston	319
Killay	2,074
Llangennith, Llanmadoc & Cheriton	488
Llangyfelach	946
Llanrhidian Higher	1,581
Llanrhidian Lower	332
LLwchwr	3,385
Mawr	733
Mumbles	9,623
Penllergaer	1,360
Pennard	1,456
Penrice	410
Pontardulais	2,277
Pontlliw & Tircoed	1,028
Port Eynon	427
Reynoldston	289
Rhossili	187
Three Crosses	715
Upper Killay	566

For the area of the Swansea Bay Port
Health Authority 62,254

Report Author: Rose McCreesh

Finance Officer: Mike Hawes

Legal Officer: Tracey Meredith

**Access to Services
Officer:** Phil Couch

1. Council Tax Base Calculation.

- 1.1 The City and County of Swansea Council is required to determine the Council Tax Base for 2017/18 based on its estimated position.
- 1.2 The Tax Base is used by the Council to calculate its Council Tax for 2017/18.
- 1.3 The Police and Crime Commissioner for South Wales will be informed of the Council's Tax Base in relation to their precepts and levies.
- 1.4 The Tax Base must be calculated as follows:
 - take the number of dwellings for each valuation band as at 31 October 2016
 - adjust for the estimated changes during the year, i.e. additions, reductions (including those for disabled adaptations), deletions and exemptions
 - reduce by the number of discounts allowed
 - adjust for any premiums allowed
 - convert each Band to a Band D equivalent by applying the relevant multiplier, e.g. for Band A multiply by 6 and divide by 9
 - sum the Band D equivalent for each band
 - multiply this by the estimated collection rate
 - add the Band D equivalent of exempt class O properties, i.e. dwellings owned by the Ministry of Defence

The following assumption has been made –

- the collection rate will be 97.5%
- 1.5 The estimated 2017/18 Council Tax Base for the whole of the City and County of Swansea has been calculated as 89,465. The comparable figure for 2016/17 was 89,151.
 - 1.6 The calculation of the Council's Tax Base is set out in Appendix A. Percentage changes are shown in Appendix B.

2. Financial Implications.

- 2.1 The gross tax base, before applying the collection rate, has slightly increased and will be reflected in the Revenue Support Grant which the Council receives from Welsh Government, so that there will in

total only be a marginal net impact of increased income to the Council.

3. Legal Implications

3.1 There are no additional legal implications to those set out in the report.

4. Equality and Engagement Implications

4.1 There are no equality implications. The calculation is a statutory requirement using formulae set out in regulations for Council Tax setting purposes.

Background Papers: None

Appendices:

Appendix A – Council Tax Base 2017/18 – Calculation Appendix B – Council Tax Base 2017/18 – Percentage changes

Council Tax Base 2017/18 - Calculation

Appendix A

Band	*A	A	B	C	D	E	F	G	H	I	Total
Estimated no of chargeable dwellings		16,077	26,766	22,701	15,462	11,824	7,614	3,650	1,126	503	105,723
Disabled Dwelling Adjustment	30	125	7	-10	-14	-39	-49	-29	17	-38	
Sub Total (1)	30	16,202	26,773	22,691	15,448	11,785	7,565	3,621	1,143	465	105,723
Discounts Adjustment	-4	-2627	-3,339	-2,315	-1,430	-918	-508	-205	-75	-21	-11,442
Premium Adjustment	0	0	0	0	0	0	0	0	0	0	0
Sub Total (2)	26	13,575	23,434	20,376	14,018	10,867	7,057	3,416	1,068	444	94,281
Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	21/9	
Band D Equivalent	14	9,050	18,227	18,111	14,018	13,282	10,193	5,693	2,136	1035	91,759

Estimated Collection Rate%	97.5%
Sub Total	89,465
Class O - Band D Equivalent	0
Council Tax Base 2017/18	89,465

Appendix B

Council Tax Base 2017/18 – Percentage Changes

	2017/18	2016/17	No.	%
For the whole area	89,465	89,151	314	0.35
Bishopston	1,965	1,975	-10	-0.51
Clydach	2,603	2,576	27	1.05
Gorseinon	3,136	3,108	28	0.90
Gowerton	1,944	1,960	-16	-0.82
Grovesend & Waungron	407	404	3	0.74
Ilston	319	312	7	2.24
Killay	2,074	2,067	7	0.34
Llangennith, Llanmadoc and Cheriton	488	496	-8	-1.61
Llangyfelach	946	949	-3	-0.32
Llanrhidian Higher	1581	1,587	-6	-0.38
Llanrhidian Lower	332	334	-2	-0.60
Llwchwr	3,385	3,395	-10	-0.29
Mawr	733	742	-9	-1.21
Mumbles	9,623	9,594	29	0.30
Penllergaer	1,360	1,355	5	0.37
Pennard	1,456	1,454	2	0.14
Penrice	410	425	-15	-3.53
Pontarddulais	2,277	2,255	22	0.98
Pontlliw & Tircoed	1,028	1,034	-6	-0.58
Port Eynon	427	416	11	2.64
Reynoldston	289	281	8	2.85
Rhossili	187	189	-2	-1.06
Three Crosses	715	711	4	0.56
Upper Killay	566	565	1	0.18
Swansea Bay Port Health Authority	62,254	61,926	328	0.53

Agenda Item 13.

Report of the Head of Democratic Services

Council – 24 November 2016

INDEPENDENT REMUNERATION PANEL FOR WALES (IRPW) DRAFT ANNUAL REPORT 2017-2018 - CONSULTATION

Purpose:	To present the recommendations of the Democratic Services Committee held on 18 October 2016 relating to the Independent Remuneration Panel for Wales (IRPW) Draft Annual Report 2017-2018 Consultation process. Council are asked to formally respond to the IRPW by their deadline of 28 November 2016.
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The recommendation of the Democratic Services Committee held on 18 October 2016 as outlined in Appendix A of the report form the formal response to the IRPW.
Report Author:	Huw Evans
Finance Officer:	Carl Billingsley
Legal Officer:	Tracey Meredith
Access to Services Officer:	Phil Couch

1. Introduction

- 1.1 The Independent Remuneration Panel for Wales (IRPW) is the body tasked with setting the remuneration levels for Councils in Wales. Each year, they publish a Draft Annual Report which is circulated for consultation.
- 1.2 Their Draft Annual Report is currently out for consultation. The consultation period closes on 28 November 2016.
- 1.3 The final IRPW report will be published in February 2017.
- 1.4 This report sets out the determinations affecting the City and County of Swansea and proposes responses if necessary.
- 1.5 The full IRPW Draft Annual Report may be viewed at <http://gov.wales/docs/dsjlg/publications/161003-irp-draft-report-en.pdf>

2. Determinations within the IRPW Draft Annual Report 2017-2018

- 2.1 The IRPW Draft Annual Report 2017-2018 contains 51 Determinations in all. A large number of these determinations don't directly affect the City and County of Swansea and as such this report does not list them nor does it offer any comments on them.
- 2.2 The Democratic Services Committee considered the Draft IRPW Annual Report 2017-2018 at its meeting on 18 October 2016 and recommends that **Appendix A** forms the Council's formal response to the IRPW.

3. Equality and Engagement Implications

- 3.1 An Equality Impact Assessment (EIA) screening process took place prior to the consultation period. The outcome indicated that it was low priority and a full report was not required.

4. Financial Implications

- 4.1 The IRPW determination to increase Basic Salary by £100 per Councillor will add £7,200 per annum. This can be accommodated within existing budget resources.

5. Legal Implications

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

Background Papers: None.

Appendices:

Appendix A	Democratic Services Committee of 18 October 2016 – Proposed Response to the IRPW Draft Annual Report 2017-2018.
Appendix B	Senior Salary Levels 2017-2018 for members of principal councils including Current Levels (2016-2017)

Democratic Services Committee of 18 October 2016 – Proposed Response to the IRPW Draft Annual Report 2017-2018.

NOTE: For ease this report only outlines the salary figures of Group A Council's to which the City and County of Swansea belongs.

Section 3 - Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries

Determination 1	Basic Salary in 2017/18 for elected members of principal councils shall be £13,400.
CCS Comments	CCS notes the rise of £100. No further comment.
Determination 2	The Panel has determined that senior salary levels in 2017/18 for members of principal councils shall be as set out in Table 2 (of the IRPW Report). <i>The proposed and current levels are outlined in Appendix B.</i>
CCS Comments	<p>1) The Authority remains concerned at the two levels of payments for Cabinet members and Committee Chairs created in February 2016. The Authority believes that a Leader of a Council would create a balanced Cabinet with collective responsibility. No Cabinet Member is more or less important to the decision making process. Whilst it may appear that some Portfolios are smaller than others, those with smaller budgets will face difficulties as a smaller budget could quite easily mean more drastic outcomes. Equally Council has created Committees with a balanced workload.</p> <p>2) CCS notes that there is no change. No further comment.</p>
Determination 3	The Panel has determined that (where paid) Civic Salaries at the following levels are payable (Table 3 of the IRPW Report) and will be applied by principal Councils as each considers appropriate, taking account of the anticipated workloads and responsibilities.
CCS Comments	CCS notes that there is no change. No further comment.

Determination 4	The Panel has determined that, where appointed and if remunerated, a Presiding Member must be paid a Band 3 Level 1 Senior Salary. This post will count towards the cap.
CCS Comments	The Presiding Member within the City and County of Swansea is not remunerated. No further comment.

Determination 5	The Panel has determined that the post of deputy presiding member will not be remunerated.
CCS Comments	No Change. Agreed

Determination 6	The Panel has determined that each authority, through its Democratic Services Committee, must ensure that all its members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone and email facilities and electronic access to appropriate information.
CCS Comments	No Change. Agreed

Determination 7	The Panel has determined that such support should be without cost to the individual member. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and/or efficiency of members.
CCS Comments	No Change. Agreed

Determination 8	The Panel has determined to include a provision for specific or additional senior salaries that do not fall within the current Remuneration Framework.
CCS Comments	No Change. Agreed.

Section 4 - Joint Overview and Scrutiny Committees (JOSC)

Determination 9	The chair of a Joint Overview and Scrutiny Committee is eligible for a salary equivalent to that part of a Band 3 Level 2 senior salary that remunerates a committee chair of a principal authority (£6,700).
CCS Comments	No Change. Agreed
Determination 10	In cases where the chair is already in receipt of a senior salary for a Band 3, 4 or 5 role the payment will be £3,350.
CCS Comments	No Change. Agreed
Determination 11	The chair of a sub committee of a JOSC is eligible for a salary of £1,675.
CCS Comments	No Change. Agreed
Determination 12	In cases where the chair of the sub committee is already in receipt of a senior salary for a Band 3, 4 or 5 role the payment will be £837.
CCS Comments	No Change. Agreed
Determination 13	Payments to chairs of task and finish sub committees are to be pro-rated to the duration of the task.
CCS Comments	No Change. Agreed
Determination 14	Payments made to a chair of a JOSC, or a chair of a sub committee of a JOSC, are additional to the maximum proportion of the authority's membership eligible for a senior salary. It should be noted that the statutory limit of no more than 50% of a council's membership receiving a senior salary applies (Section 142 (5) of the Measure).
CCS Comments	No change. Agreed
Determination 15	A deputy chair of a JOSC or sub committee is not eligible for payment.
CCS Comments	No Change. Agreed

Determination 16	Co-optees to a JOSOC or to a sub committee are not eligible for a co-opted member fee unless they are appointed by an authority under Section 144(5) of the Measure.
CCS Comments	No Change. Agreed

Section 5 - Pension provision for Elected Members of Principal Councils

Determination 17	The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.
CCS Comments	No Change. Agreed

Section 6 – Entitlement to Family Absence

Determination 18	An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of the family absence.
CCS Comments	No Change. Agreed

Determination 19	When a senior salary holder is eligible for family absence, he/she will continue to receive the salary for the duration of the absence.
CCS Comments	No Change. Agreed

Determination 20	It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.
CCS Comments	No change. Agreed

Determination 21	If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to the Isle of Anglesey or Merthyr Tydfil Councils if it would result in the number of senior salaries exceeding fifty percent of the Council membership. Specific approval of Welsh Ministers is required in such circumstances.
CCS Comments	No Change. Agreed

Determination 22	When an authority agrees a paid substitution for family absence, the Panel must be informed, within 14 days of the date of the decision, of the details including the particular post and the duration of the substitution.
CCS Comments	No Change. Agreed

Determination 23	The Council's schedule of remuneration must be amended to reflect the implication of the family absence.
CCS Comments	No Change. Agreed

Section 7 - Payments to Members of National Park Authorities

Determinations 24-30 relate to the National Park Authorities. The Authority has no comments on those determinations.

Section 8 - Payments to Members of Welsh Fire and Rescue Authorities

Determinations 31-37 relate to the National Park Authorities. The Authority has no comments on those determinations.

Section 9 - Payments to Co-opted Members of Principal Councils, National Park Authorities and Fire and Rescue Authorities

Determination 38	Principal Councils, NPAs and FRAs must pay the following fees to Co-opted Members (who have voting rights)
CCS Comments	No Change. Agreed

Chairs of Standards, and Audit Committees	£256 (4 hours and over) £128 (up to 4 hours)
Ordinary members of Standards Committee who also Chair Standards Committees for Community / Town Councils	£226 daily fee (4 hours and over) £113 (up to 4 hours)
Ordinary members of Standards Committees; Education Scrutiny Committee, Crime and Disorder Scrutiny Committee and Audit Committee	£198 (4 hours and over) £99 (up to 4 hours)

Determination 39	Reasonable time for pre meeting preparation is eligible to be included in claims made by co-opted members the extent of which can be determined by the appropriate officer in advance of the meeting.
CCS Comments	No Change. Agreed

Determination 40	Travelling time to and from the place of the meeting can be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).
CCS Comments	No Change. Agreed

Determination 41	The appropriate officer within the authority can determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.
CCS Comments	No Change. Agreed

Determination 42	Meetings eligible for the payment of fees include other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.
CCS Comments	No Change. Agreed

Section 10 – Reimbursement of Costs of Care

Determination 43	All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement shall only be made on production of receipts from the carer.
CCS Comments	<p>The Authority welcomes the Panel’s change to use the term “reimbursement of costs of care” to replace care allowance, as a result of discussion with the WLGA leadership.</p> <p>The Authority shares the IRPW’s concerns that take up of the Care Allowance has been low and accepts that this is likely due to the sensitivity of the Allowance. The Authority therefore supports the IRPW proposal to amend “Annex 4: Publication of Remuneration – The Panel’s Requirements” of the Annual Report.</p> <p>This amendment would allow an Authority to either:</p> <ul style="list-style-type: none"> a) Publish the details of the amounts reimbursed to named Members; or b) Publish the total amount reimbursed by the Authority during the year but not attributed to any named Member. <p>However, the Authority is concerned that without support from the Information Commissioners Office (ICO), the Freedom of Information (FOI) Act could render this amendment meaningless as the Act could be used as a legislative tool forcing an Authority to release the information. The Authority suggests that the IRPW liaise with the ICO in order to seek formal guidance on this issue prior to it becoming an issue for an Authority.</p>

Section 11 – Sickness Absence for Senior Salary Holders

No Determination	The IRPW proposes to amend the Family Absence Regulations Framework to provide specific arrangements for Senior Salary Holders that are suffering long term sickness. The arrangements are set out within the IRPW Draft Annual Report.
CCS Comments	The Authority welcomes the Panel's proposals.

Section 12 – Reimbursement of Travel and Subsistence Costs when on Official Business

No Determination	No Change
CCS Comments	No Comment.

Section 13 - Payments to Members of Community and Town Councils

Determinations 44 - 51 relate to Community / Town Councils. The Authority has no comments on those determinations.

Senior & Civic Salary Levels 2017-2018 for members of principal councils including Current Levels (2016-2017)

Senior Salaries (inclusive of basic salary) - Group A Councils	Proposed 2017/18		Current 2016/17	
Band 1 Leader Deputy Leader	£53,100 £37,100		£53,000 £37,000	
Band 2 Executive Members (up to a maximum of 4 or 5 if no Deputy Leader) Other Executive Members (to statutory maximum)	Level 1	£32,100	Level 1	£32,000
	Level 2	£28,900	Level 2	£28,800
Band 3 Committee Chairs (if remunerated)	Level 1	£22,100	Level 1	£22,000
	Level 2	£20,100	Level 2	£20,000
Band 4 Leader of the Largest Opposition Group	£22,100		£22,000	
Band 5 Leader of Other Political Groups	£17,100		£17,000	

Civic Salaries (inclusive of basic salary)	Proposed 2017/18		Current 2016/17	
Responsibility Level	Civic Leader	Dep Civic Leader	Civic Leader	Dep Civic Leader
Level 1	£24,100	£18,100	£24,000	£18,000
Level 2	£21,600	£16,100	£21,500	£16,000
Level 3	£19,100	£14,100	£19,000	£14,000

Agenda Item 14.

Report of the Head of Democratic Services & Chief Transformation Officer

Council – 24 November 2016

COUNCILLORS' BROADBAND AND TELEPHONE, ICT AND MOBILE PHONE ALLOWANCES - MAY 2017 & BEYOND

Purpose:	To review the “Councillors ICT - May 2012 and Beyond” policy thereby ensuring that Councillors are provided with an ICT provision suited to their needs and is compliant with the determinations of the Independent Remuneration Panel for Wales (IRPW).
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The proposed Co-opted Member ICT Allowance and the proposed Co-opted Member Broadband and Telephone Allowance be added to those recommendations in Appendix A ; 2) The recommendations listed in Appendix A be approved.
Report Author:	Huw Evans & Jo Harley
Finance Officer:	Carl Billingsley
Legal Officer:	Tracey Meredith
Access to Services Officer:	Phil Couch

1. Introduction

- 1.1 The Democratic Services Committee considered the “Councillors’ Broadband and Telephone, ICT and Mobile Phone Allowances - May 2017 & Beyond” report on 18 October 2016. This is attached as **Appendix A**.

2. Democratic Services Committee – 18 October 2016

- 2.1 The Democratic Services Committee supported the report in **Appendix A**. However, the Committee also resolved that the following points be included:
- a) Advice and guidance in relation to various IT support packages available and compatible device information be provided in the Councillors Induction pack 2017;
 - b) Seminars / training sessions be provided in how to operate devices. This information be re-iterated throughout the 5 year term of office;

- c) The Authority's IT help desk continue to assist Councillors with issues relating to Authority based software / network issues however all other support is to be purchased by the Councillor.

3. Independent Remuneration Panel for Wales (IRPW) Annual Report

- 3.1 The Head of Democratic Services attended a meeting with the Independent Remuneration Panel for Wales on 1 November 2016. At that meeting the members of the IRPW informed Authorities of the need to include payments to the Statutory Co-opted Members. The Head of Democratic Services has contacted the IRPW in order to establish whether such support payment should also be made to the Community / Town Councillor Representative on the Standards Committee.
- 3.2 The Authority has 9 Statutory Co-opted Members and 1 Community / Town Council Representative of the Standards Committee as follows:
- Chair of Audit Committee
 - Chair of Standards Committee
 - Ordinary Members of the Standards Committee x 4;
 - Ordinary Members of Scrutiny Programme Committee x 4 (3 Vacancies);
 - Community / Town Councillor Representative of Standards Committee.

4. Payments to Statutory Co-opted Members

- 4.1 As Statutory Co-opted Members do not have the same time commitment of a Councillor, it is proposed that the ICT Allowance and Broadband and Telephone Allowance for a Co-opted Member be set at 20% of that of a Councillor.
- 4.2 The Councillor conditions relating to cessation of role be applied to Co-opted Members, so that they would also have to repay on a pro rata basis their ICT Allowance / Broadband and Telephone Allowance should they stand down prior to the end of their term of office.
- 4.3 The payments referred to above are not automatic payments and must be claimed by using the appropriate ICT Claim Form and / or by providing the annual bill as proof.
- 4.4 The **Co-opted Member ICT Allowance** would be:

In the Year immediately following the appointment of the Co-opted Member	£201.60
Each Year Thereafter (Co-opted Member may take this in advance from Year 2, i.e. £240 or £160 (£40 x 6 year / £40 x 4 year Remaining Term of Office).	£40 p.a. (£240 or £160) over the term.

4.5 As the Co-opted Members are already in place, it is proposed that the ICT Allowance Payments commence following the Annual Meeting of Council in May 2017 and then align with the actual appointment dates in the future.

4.6 The **Co-opted Member Broadband and Telephone Allowance** be set at £5 per Co-opted Member per month. This is split as £3 Broadband and £2 Telephone.

5. Equality and Engagement Implications

5.1 As detailed within **Appendix A** of the attached report.

6. Financial Implications

6.1 As detailed within **Appendix A** of the attached report. Additionally, there will be an additional cost due to the inclusion of the Co-opted Members; however this will be met from within existing budget.

7. Legal Implications

7.1 As detailed within **Appendix A** of the attached report.

Background Papers: None.

Appendices:

Appendix A – “Councillors’ Broadband and Telephone, ICT and Mobile Phone Allowances - May 2017 & Beyond” report to Democratic Services Committee - 18 October 2016.

Report of the Head of Democratic Services & Chief Transformation Officer

Democratic Services Committee – 18 October 2016

COUNCILLORS' BROADBAND AND TELEPHONE, ICT AND MOBILE PHONE ALLOWANCES - MAY 2017 & BEYOND

Purpose:	To review the “Councillors ICT - May 2012 and Beyond” policy thereby ensuring that Councillors are provided with an ICT provision suited to their needs and is compliant with the determinations of the Independent Remuneration Panel for Wales (IRPW).
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that the Democratic Services Committee support the report and its recommendations and recommend its adoption to Cabinet. <ol style="list-style-type: none">1) The report be forwarded to Council prior to Cabinet in order to obtain any additional comments from Councillors;2) The current arrangements for Councillors to purchase their own ICT equipment be continued;3) Access to Office 365 to enable cloud technology for more resilient, secure information sharing system, subject to successful pilot be noted;4) The Councillors’ ICT Allowance as outlined within the report be noted;5) The Councillors’ Broadband and Telephone Allowance as outlined within the report be noted;6) The Councillors’ Mobile Phone Allowance as outlined within the report be noted;7) The section relating to Councillors’ Self Service be noted.
Report Author:	Huw Evans & Jo Harley
Finance Officer:	Carl Billingsley
Legal Officer:	Tracey Meredith
Access to Services Officer:	Phil Couch

1. Introduction

- 1.1 As part of the role of Councillors, Broadband, ICT and Voice Communications equipment and systems are essential in enabling that their responsibilities are delivered effectively and securely.

- 1.2 The current “Councillors ICT - May 2012 and Beyond” policy arrangements have been reviewed prior to the Local Government Elections scheduled for May 2017. The review allows for new technologies to be made available and to align Councillors role to the new Digital strategy of the Authority. Councillors will be leading the way in the Authority wide rollout of a new Digital culture ambition aiming to make Swansea a lead Authority in the UK.
- 1.3 This report also seeks to review the Councillors’ Broadband and Telephone Allowance and the Councillors’ Mobile Phone Allowance.
- 1.4 This approach links with the determinations of the Independent Remuneration Panel for Wales (IRPW) by which the Authority is bound. Details of the latest IRPW Annual Report and other information may be viewed on their website. <http://gov.wales/irpwsb/home/publication/?lang=en>

2. Supporting the Work of Local Authority Members – IRPW Determinations

- 2.1 Determinations 6 and 7 of the IRPW Annual Report of February 2016 state:

“Determination 6: The Panel has determined that each Authority, through its Democratic Services Committee, must ensure that all of its members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone and email facilities and electronic access to appropriate information”;

“Determination 7: The Panel has determined that such support should be without cost to the individual member. Deductions must not be made from members’ salaries by the respective Authority as a contribution towards cost of support which the Authority has decided necessary for the effectiveness and / or efficiency of members.”

3. Current ICT Arrangements

- 3.1 Currently the Authority provides each Councillor with an ICT Allowance in order to enable them to fulfil their duties. The ICT Allowance allows Councillors to purchase their own equipment. The ICT Allowance should be used to purchase items such as desktop or laptop PC, Tablet Computer, Printer and Software), ICT Peripherals (such as storage, backup facilities, printer paper and ink) and ICT Support to Councillors”.
- 3.2 This current arrangement allows the flexibility that Councillors requested prior to the Local Government Elections in May 2012. It effectively provides bring your own device (BYOD) technology to Councillors, which was an innovative decision 4 years ago. Councillors are able to purchase which ever device they find beneficial for their work.

3.3 The Authority provides the technology for the Councillors to use to access their emails and files. The options enabled are CITRIX for files and emails and webmail for emails. Due to the decision to enable BYOD also required a separate WIFI connection to be installed to access these systems from within the Authority's main buildings.

4. Consultation Process for Review of Councillors' ICT Arrangements

4.1 In order to ensure that all Councillors views were considered as part of the review of the Councillors ICT – May 2012 and Beyond policy, the Democratic Services Committee discussed the issue and instructed the Head of Democratic Services and Chief Transformation Officer to liaise directly with the Political Groups on the Council. During September 2016, meetings took place with the Labour and Liberal Democrat Political Groups and discussions with the Independent and Conservative Political Group Leaders regarding the ICT requirements of Councillors.

4.2 Councillors were briefed on how the new Digital Strategy would provide Councillors with increased functionality taking advantage of new cloud technology. This would enable secure information sharing opportunities as part of the increased partnership working. The Digital Strategy is putting in place new infrastructure to support the principals of self service and mobile working.

4.3 Councillors have agreed that the current flexible arrangement, of purchasing their own equipment, is the preferred option post May 2017 election. The principle of Councillors being able to use the equipment for their personal use, without the restrictions that a corporate device would impose, is also welcomed.

4.4 Councillors referred to the recognised limitations of CITRIX and Webmail and these will be addressed through a pilot of Office 365 which is cloud technology. This pilot is currently being progressed in the Information and Business Change Section. It is proposed that this is rolled out to a pilot group of Councillors from January 2017.

4.5 Office 365 has many benefits as it is a web-based version of Microsoft Office which will provide increased resilience and shared service options for partnership. Benefits to using Office 365?

- a) Anytime, Anywhere Access – Email, important documents, contact and calendar on nearly any device from almost anywhere;
- b) Easy to Use – it works seamlessly with the programs a lot of people know and use most, including Outlook, Word, Excel and PowerPoint;
- c) Ability to work either online or offline – Office 365 provides users with the ability to work online or offline via office desktop applications on your PC.

4.6 Another issue raised by Councillors was the perceived lack of support from the Authority in relation to the devices that Councillors themselves purchased. Councillors were reminded that they should use an element of their Councillors' ICT Allowance to fund such support from a Third Party provider. This will enable Councillors to receive the relevant technical support for the device(s) they purchased. Guidelines are provided and will be updated to assist technical support arrangements in the future.

5. Councillors' ICT Allowance

5.1 The Authority currently pays a Councillors' ICT Allowance to all Councillors providing:

- a) Councillors produce a receipt proving their purchase of relevant ICT items. Relevant ICT items being desktop or laptop PC, Tablet Computer, Printer and Software, ICT Peripherals (such as storage, backup facilities, printer paper and ink) and ICT Support to Councillors.

5.2 The Councillors' ICT Allowance shall be subject to Tax and National Insurance deductions. **Appendix 1** shows the Councillors' ICT Allowance Claim Form.

5.3 The Councillors' ICT Allowance is as follows:

In the Year immediately following the election of the Councillor	£1,008
Each Year Thereafter (Councillor may take this in advance from Year 2, i.e. £800 (£200 x 4 year Remaining Term of Office). The Authority will not pay any additional monies until following next Local Government Election (Currently scheduled for May 2022)	£200 p.a. (£800) over the term.

5.4 The Authority recommends that an element of the Councillors' ICT Allowance be used to purchase an ICT support service. **ICT Support is defined as:** Either an ad-hoc or fixed contract with a third party (Not the Authority) aimed at providing ICT support should any element of your ICT equipment fail.

5.5 Councillors ICT Support will not be provided by the Authority other than issues directly linked to the Authorities systems, such as Password Reset and General Guidelines when an external ICT Support supplier is required to deal with any issues that occur.

5.6 The software package used by the City and County of Swansea is Microsoft Office. The Authority therefore recommends that Councillors ensure that any device that they purchase is compatible with Microsoft Office. Without such software Councillors may not be able to open certain documents sent to them by the Authority and in turn the Authority may not be able to open documents which the Councillor sends them.

5.7 Should a Councillor cease to remain a Councillor the Councillors' ICT Allowance shall cease and any ICT Support contract taken out by the Councillor shall remain the sole responsibility of the Councillor as will any repayments. Please also refer to the section relating to **“What happens if a Councillor ceases to remain a Councillor?”**

6. Councillors' Broadband and Telephone Allowance

6.1 The Authority currently pays a monthly Broadband and Telephone Allowance to all Councillors providing:

- a) Councillors produce proof on an annual basis of their Broadband and Telephone connection at their home;
- b) Councillors are not in receipt of a payment for Broadband and Telephone at their home from a third party such due to their employment or other election.

6.2 The Councillors' Broadband and Telephone Allowance shall be subject to Tax and National Insurance deductions.

6.3 The Councillors' Broadband and Telephone Allowance is currently set at £25 per Councillor per month. This is split as £15 Broadband and £10 Telephone. It is not proposed to amend the amount of this Allowance.

6.4 The Councillors' Broadband and Telephone Allowance shall:

- a) Only be paid once per Councillor household (i.e. if there are 2 or more Councillors living at the address then only one person shall receive the payment);
- b) Not be paid to a Councillor who does not have Broadband at their home address. If a Councillor does not have Broadband at home then they shall be paid £10 per month towards their Council related telephone calls.

6.5 Should a Councillor cease to remain a Councillor the Councillors' Broadband and Telephone Allowance shall cease and any Broadband / Telephone contract taken out by the Councillor shall remain the sole responsibility of the Councillor as will any repayments. Please also refer to the section relating to **“What happens if a Councillor ceases to remain a Councillor?”**

7. Councillors' Mobile Phone Allowance

- 7.1 The Authority currently pays a monthly Councillors' Mobile Phone Allowance to qualifying Councillors in order to supplement their mobile phone bills due their increased use for Council business providing:
- a) Councillors produce proof on an annual basis of their Mobile Phone contract.
- 7.2 The Councillors' Mobile Phone Allowance shall be subject to Tax and National Insurance deductions.
- 7.3 There are 12 Qualifying Councillors: Cabinet Members, Presiding Member and the Leader of the Largest Opposition Group. The Councillors' Mobile Phone Allowance is currently set at £25 per Qualifying Councillor per month.
- 7.4 The Councillors' Mobile Phone Allowance is payable from the date when the Councillor is appointed by Council / Leader of the Council to a Qualifying Councillor position.
- 7.5 Should a Councillor cease to remain a Councillor the Councillors' Mobile Phone Allowance shall cease and any Mobile Phone contract taken out by the Councillor shall remain the sole responsibility of the Councillor as will any repayments. Please also refer to the section relating to **“What happens if a Councillor ceases to remain a Councillor?”**

8. What happens if a Councillor ceases to remain a Councillor?

- 8.1 If a Councillor ceases to remain a Councillor for whatever reason during their term of office, the Authority will immediately cease payment of any Allowance that the Councillor had previously been entitled to in their role as a Councillor.
- 8.2 Any contract taken out by the Councillor during their period as a Councillor will be the sole responsibility of that individual. The Authority will not make any payments towards the remaining period of the contract(s).
- 8.3 Any ICT equipment and ICT support purchased during a Councillors time as a Councillor shall automatically become the property of that Councillor. The Authority shall have no legal claim to it.
- 8.4 Should the Councillor cease to be a Councillor within the first 12 months of being elected the Councillor must repay the balance of the £1,008 on a complete month pro rata basis. This paragraph is waived should a Councillor die during their term of Office.

9. Data Protection Act / Security Advice (Anti-Virus, Anti-Spam, Firewall and Encryption)

- 9.1 Councillors are likely to handle personal information about individuals; as such they have a number of legal obligations to protect that information under the Data Protection Act 1998. Should a Councillor fail to comply with this Act then they would be liable to a fine of up to £5,000. The Authority pays the fee for each Councillor to be a registered Data Controller.
- 9.2 The Authority strongly advises that Councillors install Anti-Virus, Anti-Spam and Encryption software on any PC, Laptop, Tablet, Mobile Phone etc. used for Councillor Business. The use of a personal Firewall should also be considered. For advice in this area, Councillors should take appropriate security advice from their external ICT Support provider.

10. Claiming of Allowances and Providing Receipts / Proof of Purchase

- 10.1 **Claiming the Councillors' Broadband and Telephone Allowance.** Councillors must produce proof of Broadband and Telephone connection at their home on an annual basis in order to receive this monthly allowance. Proof shall be required during May / June each year and should be given to the Cabinet Office / Democratic Services Team as appropriate.
- 10.2 **Claiming the Councillors' Mobile Phone Allowance.** Councillors must produce proof of their Mobile Phone Contract on an annual basis in order to receive this monthly allowance. Proof shall be required during May / June each year and should be given to the Cabinet Office / Democratic Services Team as appropriate.
- 10.3 Failure to provide proof of a Broadband / Telephone / Mobile Phone contract during May / June each year will result in payments being stopped until proof is provided. The Authority shall not backdate any payments beyond 3 months.
- 10.4 **Claiming the Councillors' Broadband and Telephone Allowance.** Councillors should purchase the ICT equipment they require and complete the Councillors' ICT Allowance Claim Form as shown in **Appendix 1**. The Claim Form should be returned to the Cabinet Office / Democratic Services Team as appropriate.

11. Councillors Self Service

- 11.1 The Democratic Services Committee at its meeting on 28 June 2016 received and noted an information report reminding Councillors of the Authorities "Sustainable Swansea - Fit for the Future" programme.

- 11.2 The objectives of Sustainable Swansea - Fit for the Future are:
- To transform services;
 - To deliver better outcomes for residents;
 - To achieve financial sustainability.
- 11.3 In order to achieve objectives, Councillors will need to play their role in the change agenda and embrace Oracle. Oracle is the Authority's integrated HR, payroll, finance, procurement stores and job costing system. It is used across the Authority in every Service Unit.
- 11.4 Councillor Self Service will allow Councillors to view, amend and apply for things via Oracle including:
- Payslips, P60's and P11d's;
 - Changes to personal details (address, bank etc.);
 - Car Parking Permits;
 - Mileage and Expenses Claims.
- 11.5 By encouraging Councillors to use Oracle Self Service, it will reduce printing costs, save administration time and costs. All of which will assist the Authority in managing its financial deficit. Oracle Self Service will also allow Councillors to update their information in real time.
- 11.6 With immediate effect, no new Councillor shall receive a paper payslip and will be required to use the Self Service on Oracle. All current Councillors will be encouraged to shift to the Self Service system; however it will be compulsory from the Annual Meeting of Council in May 2017.
- 11.7 The shift to Oracle Self Service Mileage and Expenses Claims will also commence in May 2017; however a number of Councillors will be invited to start using the system sooner, so that the process can be trialled.
- 11.8 Training will be provided to all Councillors in order to manage this process of change. User Guides are available on the Authority's StaffNet site <http://www.swansea.gov.uk/staffnet/mileageandexpenses>
- 11.9 This approach compliments the Authority's Digital Strategy.

12. Equality and Engagement Implications

- 12.1 An Equality Impact Assessment (EIA) screening process took place prior to the consultation period. The outcome indicated that it was low priority and a full report was not required.

13. Financial Implications

13.1 Each of the Allowances referred to in this report shall be subject to Tax and National Insurance deductions.

13.2 The proposals outlined in the report are contained within existing budgetary constraints.

14. Legal Implications

14.1 The proposals identified are in accordance with relevant legislation.

Background Papers: None.

Appendices: **Appendix 1** – Councillors' ICT Allowance Claim Form.

Councillors ICT Allowance Claim Form

Councillor Name:	
Address:	
Post Code:	

Please provide details of ICT items or support purchased. In accordance with the Independent Remuneration Panel for Wales (IRPW) Councillors' ICT Allowance payments will only be made to Councillors following the completion of this form **together with the relevant receipt(s)**.

Date Purchased	Item / Service Purchased	Cost
Total Amount Claimed		£

Note:

- i) *I have incurred these costs to enable me to fulfil my duties as a Councillor in accordance with the IRPW.*
- ii) *Councillors' ICT Allowance. Year of Election is £1,008. Remaining Term of Office is £200 p.a. x 4 years (£800). The sum of £800 may be taken as a lump sum from Year 2 providing a receipt is provided. The Authority will not pay any additional monies until the following Local Government Election.*

Councillor Signature:		Date:	
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For Office Use	Checked By:		Payroll No.:		Month Paid:	
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Agenda Item 15.

Report of the Cabinet Member for Transformation and Performance

Council – 24 November 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:	Carl Billingsley
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:

Development CAC

Remove Councillor J C Bayliss
Add Councillor P M Matthews

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

Appendices: None

Agenda Item 16.

Joint Report of the Presiding Member, Monitoring Officer and Head of Democratic Services

Council – 24 November 2016

AMENDMENTS TO THE COUNCIL CONSTITUTION

Purpose:	To make amendments in order to simplify, improve and / or add to the Council Constitution. A decision of Council is required to change the Council Constitution.
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal, Internal Audit
Recommendation(s):	It is recommended that: 1) The changes to the Council Constitution as outlined in Paragraph 4 together with any further consequential changes be adopted.
Report Author:	Huw Evans
Finance Officer:	Carl Billingsley
Legal Officer:	Tracey Meredith
Access to Services Officer:	Phil Couch

1. Introduction

- 1.1 In compliance with the Local Government Act 2000, the City and County of Swansea has adopted a Council Constitution. A number of issues have arisen since adoption and in order to maintain the aims, principles and procedures set out in Articles 1 and 15 of the Council Constitution, it is proposed that the amendments set out below should be made to the Constitution.

2. Delegated Minor Corrections to the Council Constitution

- 2.1 There are no delegated minor corrections to the Council Constitution.

3. Amendments to the Council Constitution

- 3.1 This report outlines a number of suggested amendments to the Council Constitution. The amendments are within the following area of the Council Constitution:

- a) Part 4 – Financial Procedure Rules.

4 Financial Procedure Rules

4.1 Financial Procedure Rule (FPR) 11 “Accounting for Expenditure and Income” needs to be amended so as to remove reference to the Cabinet Member with responsibility for Finance”.

4.2 FPR 11.6 **currently** states:

“11.6 Debts which are not recoverable must be written off. The Chief Financial Officer must approve all write off of debts up to £10,000. Debts above £10,000 may be written-off with the approval of the Chief Financial Officer, the Cabinet Member with responsibility for Finance and the Cabinet Member responsible for the relevant service.”

4.3 On the grounds of efficiency and because the Head of Legal and Democratic Services has also been involved in writing off debts with a view to ensuring that all appropriate legal options for recovery have been considered, it is proposed that FPR 11.6 **be re-drafted** as follows:

“11.6 Debts which are not recoverable must be written off. The Chief Financial Officer must approve all write off of debts up to £10,000. Debts above £10,000 may be written-off with the approval of the Chief Financial Officer, the Head of Legal and Democratic Services and the Cabinet Member responsible for the relevant service.”

5. Equality and Engagement Implications

5.1 An Equality Impact Assessment (EIA) screening process took place prior to the consultation period. The outcome indicated that it was low priority and a full report was not required.

6. Financial Implications

5.1 There are no specific financial implications associated with this report.

6. Legal Implications

6.1 Council has to approve the amendment to the Constitution. A report which outlined the proposed constitutional change went to Audit Committee on 25 October 2016. The amended version of the Council Constitution will be available at www.swansea.gov.uk/constitution

Background Papers: None.

Appendices: None.

Agenda Item 17.

Council – 24 November 2016

COUNCILLORS' QUESTIONS

PART A – SUPPLEMENTARIES

1.	<p>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard & G D Walker</p> <p>Could the Cabinet Member confirm that solar panels are being installed on 17 schools in the city in order to reduce their electricity costs. Will this project be extended to other schools as well.</p> <p>Would the Cabinet Member agree that it would have been better to have done this earlier when feed-in tariffs were higher.</p> <p>Response of the Cabinet Member for Next Generation Services</p> <p>There are currently two projects the Council are currently involved in with regards to PV Solar panels.</p> <p>Under the Swansea Community Energy & Enterprise Scheme (SCEES Ltd.), solar panels have been installed on 9 schools and 1 care home. Building hosts will receive cheaper and cleaner electricity as a result and the approach shares the financial benefits between the Council & SCEES.</p> <p>The second project is looking to install Solar PV installations at the following six schools and one public building:</p> <ul style="list-style-type: none">• Pentrechwyth Primary• Talcopa Primary• Olchfa Comp• Clase Primary• Bishopston Primary• St Thomas Primary• Glyn Vivian Gallery <p>Feasibility studies were carried out to determine appropriateness of the building structures, wider Western Power infrastructure etc before any of the specific buildings were selected. The project is being funded from the Council's capital budget and further schemes and viability will be considered in due course.</p> <p>Installations that were installed under the old tariffs receive more financial support than those installed now. However, solar panels still have the ability to generate cheaper and cleaner electricity and the current tariffs are designed to be financially sustainable. Improvements in solar battery storage over the coming years may also be retrofitted to existing installations to improve performance.</p> <p>When the Feed-in Tariff was introduced the subsidy was much higher than it is today to reflect the maturity of the industry, the cost of the panels and the cost of installation. The feed-in tariff was intended to support the industry grow, and</p>
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	<p>to encourage prices to fall.</p> <p>This drop in subsidy is a reflection of the reduction in installation costs and the halving of panels costs. It also reflects the fact that the industry is much more mature than it was when the FiT was introduced and there is more certainty around what the panels will generate over their lifetime and improvements in how long the equipment is expected to last.</p> <p>Installations also receive a guaranteed price (Export Tariff) for any surplus electricity that is not used on site and exported to the grid. This price has not dropped. Building hosts also benefit from reduced energy costs.</p>
2.	<p>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard & G D Walker</p> <p>Could the Leader confirm that it is the Cabinet which is responsible for the oversight of Treasury Management and not the Audit Committee. If this is the case then, as Cabinet Member for Finance, is there not a conflict of interest.</p> <p>Response of the Leader</p> <p>The Audit Committee has a wide ranging remit and can at any time ask for reports into any of the Council's activities including Treasury Management.</p> <p>I do need to point out that Treasury Management is one of the few functions of Council that requires direct Council approval for:-</p> <ul style="list-style-type: none"> - Annual agreement of the Treasury Management Strategy, Prudential Indicators, Investment Strategy and Minimum Revenue Provision Policy Statement at its annual budget setting meeting normally in February each year relevant to the following financial year - A formal report to Council in December each year – the Treasury Management - Mid Year Review Report – normally in December each year outlining in year compliance with approved strategies for the year in question - A formal report to Council each year - Treasury Management Annual Report – detailing Treasury Management performance with the Policy as approved by Council for the previous financial year. <p>In addition, treasury management functions and actions are normally audited annually by the Council's Internal Audit Section and will be the subject of review as part of the annual external audit of the Council's Accounts.</p> <p>Day to Day Treasury Management decisions are undertaken by a small professional team within the Council's Finance Department in line with the Policy approved by Council. Any significant Treasury Management decisions – such as undertaking additional borrowing – are taken by the Council's Section 151 Officer again within the construct of the Policy agreed by Council.</p> <p>It is therefore Council as a whole that sets and agrees Treasury management Policy and Strategy and receives regular formal reports on compliance.</p>

	<p>I can see no possible conflict of interest in the above arrangements which are required under the CIPFA code of Practice on Treasury Management in Public Services.</p>
3.	<p>Councillors C A Holley, L G Thomas & J W Jones Will the Cabinet Member tell Council what the current position is with the Council house building programme.</p> <p>Response of the Cabinet Member for Next Generation Services The Council has identified two ‘pilot’ sites where the construction of new housing is proposed. The first site is in Milford Way, Penderry and site set up has taken place, designs are fully complete and planning approval was obtained on the 8 July, subject to a number of conditions. These have since been signed off and as such, full construction works are due to commence on Monday 7 November by the Council’s Corporate Building and Property Services. The other ‘pilot site’ is in Parc Y Helig, Birchgrove. The initial design has been completed, with a planning application submitted.</p>
4.	<p>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard & G D Walker In view of the proposed closure of the 1,800 MW steady power flow Power Station at Aberthaw, will Swansea Council be helping to promote an alternative source of electricity for South Wales within the Swansea area? Would this be Renewable Energy. If so, bearing in mind that the proposed Swansea Bay Lagoon could only produce four brief peak power flows per day of 299 MW with four lows of zero per day, can we have estimates of how many Wind Turbines, at 25% effective, and how many hectares of Solar Panels, at 10% effective, could realistically replace the polluting mass power from Aberthaw. Could we also be told what allocated Swansea land areas could take such massive numbers of Renewable Energy installations in view of the fact that the great expanse of Mynydd y Gwair is now only likely to produce an average of just 8 MW of flow electricity. Could we also be told what power sources will be available at balanced sea tides and calm, windless days and dark nights when no tidal power or wind power or solar power will be produced.</p> <p>Response of the Cabinet Member for Next Generation Services The Authority has recently adopted an Energy Strategy, key objectives of which include carbon reduction and exploration of renewables on council owned building stock and land. An action plan has also been developed and this is due to be debated at the Communities CAC from which a priority programme of delivery will be determined. Please refer to a previous council question [Q7] in regard to Mynydd y Gwair, as this may provide some background information. (Appendix B)</p>
5.	<p>Councillors L G Thomas, P M Black & R J Stanton How many voids does the Council currently have and which areas are they in.</p> <p>Response of the Cabinet Member for Next Generation Services There are currently 354 void properties and the table below shows the areas</p>

where they are situated. The properties are at various stages of preparatory works with a number of them undergoing major refurbishment works and having new kitchens and bathrooms installed. Those areas where the majority of the works/installations are ongoing are highlighted* in the table. In addition, numerous properties are actively being offered to prospective tenants.

Number of Voids by Area as at w/c 31/10/16

AREA	No. of voids
BIRCHGROVE	0
BLAENYMAES	8
*BONYMAEN	*10
BRONDEG	3
CLASE	12
CLYDACH	12
CRAIGCEFNPARC	3
CWMRHYDYCEIRW	11
FFORESTFACH	1
FFORESTHALL/RAVENHILL	6
GENDROS	7
GORSEINON	4
GOWERTON	2
LLANGENNITH	1
LLANSAMLET	4
LOUGHOR	2
MAYHILL	17
MORRISTON	15
PENFILIA/TREBOETH	4
*PENLAN	*61
PENLLERGAER	2
PLASMARL	2
PONTARDULAIS	4
PONTLLIW	1
PORTMEAD	10
PORT TENNANT	7
*SKETTY	*57
ST. THOMAS	4
SWANSEA TOWN CENTRE	16
THREE CROSSES	1
TOWNHILL	45
UPPER KILLAY	1
WAUNARLWYDD	7
WEST CROSS	8
WINCH WEN	6
Total	354

6. **Councillors C A Holley, M H Jones & P M Black**
 Will the Leader explain his comment in the Evening post on Monday 31st October in which he said “the Lib Dems frustrated Swansea University to such

	<p>an extent that they went and built their new campus in Neath Port Talbot rather than Swansea”</p> <p>Response of the Leader I am surprised that this statement needed further explanation. I am sure that with the right support Swansea University would have wished to expand within Swansea’s boundaries. I do not know why the Lib Dem / independent coalition of the time were unable or unwilling to find a way to support this happening. It is clear that the excellent relationship this Labour administration has built with both universities is delivering investment in new campuses within Swansea’s boundary, as well as enabling other collaborations in the city. The relationships have never been stronger. The investment going into Swansea University’s Singleton campus and the fantastic new UWTSD campus at SA1 is to be warmly welcomed.</p>
7.	<p>Councillors E W Fitzgerald, D G Sullivan, D W Cole, L James, S M Jones, K M Marsh, I M Richard & G D Walker Given the increasing concerns about the impact of traffic pollution on health and especially in respect of children, could the Cabinet Member inform Council how many pollution surveys have been carried out on roads alongside schools in Swansea and what the results of these surveys were. Could the Cabinet Member also name the schools affected.</p> <p>Response of the Cabinet Member for Wellbeing & Healthy City Since 1985 many thousands of measurements have been made of air pollution across the City and County, especially targeting road vehicle emissions. All schools have been included in that process at some point over the last 10 years, and currently no Swansea schools are at risk of failing the European and national air quality objectives. This is unlikely to change in the short term, but is kept under continuous review. Each year the monitoring network is reviewed taking into account the traffic flow for an area along with residential and public exposure, and the site positioning of any monitoring is undertaken in line with detailed guidance from DEFRA and Welsh Government. Only one School site is still being monitored, however this is to cease as it is compliant with the current air quality objectives. As a result of previous assessments all schools have been removed from the monitoring network as the areas fall below the criteria required by the DEFRA and Welsh Government guidance. The detailed information on all 250 sites monitored last year is published in the Council's annual air quality review and assessment, which is audited by independent experts appointed by DEFRA and Welsh government. This information can be found on the Council’s website at, http://www.swansea.gov.uk/article/2850/Local-air-quality-management-reports</p>
8.	<p>Councillors J W Jones, M H Jones & P M Black Will the Cabinet Member tell Council what action the Council will be taking to mitigate the removal of the Community First grants.</p> <p>Response of the Cabinet Member for Anti-Poverty & Communities We are working with Welsh Government, Officers and Stakeholders both internal and external to identify the risks and impact of the Communities First</p>

	<p>programme closing and how any adverse impacts could be mitigated. It is likely that the period between April and December 2017 would be a transitional period between the current programme and the implementation of provision going forward.</p> <p>This is the start of a consultation period that will inform future decisions regarding the programme at a National and local level. We will provide an informed corporate response to the National Consultation as well as encourage and support our key delivery partners and communities to take part in this process.</p>
9.	<p>Councillors C A Holley, P M Black & J W Jones</p> <p>Will the Leader/Cabinet Member update Council on what progress has been made on the City Deal.</p> <p>Response of the Cabinet Member for Enterprise, Development & Regeneration</p> <p>1. <u>Background</u></p> <p>1.1 City Deals are bespoke packages of funding and decision-making powers negotiated between the UK Government (and additionally in Wales, Welsh Government), local authorities and other local bodies.</p> <p>2. <u>Swansea Bay City Region's City Deal</u></p> <p>2.1 In February 2016, the Swansea Bay City Region (SBCR) Board submitted a high-level City Deal proposal to the Chancellor of the Exchequer and Secretary of State for Communities. The SBCR Board's proposal was to agree with UK and Welsh Governments a City Deal to generate in excess of £500m investment over 20 years, transform the SBCR economy and reduce significantly its widening productivity gap with the UK. This investment would be used to develop key areas of economic opportunity and activity, creating a competitive regional economy, with Swansea established as a vibrant regional capital and SBCR increasingly regarded as a low carbon economy and international centre for renewable energy production and conservation.</p> <p>2.2 The SBCR Board City Deal proposal was praised by UK and Welsh Governments for its imaginative, innovative and distinctive approach. Officers from both Governments were appointed to continue to advise on the SBCR's proposals and the SBCR Board was invited to submit a more detailed programme of City Deal projects to address the city region's structural challenges.</p> <p>2.3 Significant work has since been undertaken by the SBCR Board, its representative partners and supporting organisations, together with helpful advice from Government Officers. The SBCR Board established an Oversight Group to prioritise the City Deal projects, and on 20th October 2016 an SBCR Phase 1 City Deal proposal was submitted to UK and Welsh Governments. Swansea University carried out an impact analysis of the Phase 1 proposal and also coordinated the narrative to include in the SBCR's City Deal bid documentation.</p>

	<p>2.4 Swansea University's impact analysis reveals that the Phase 1 City Deal projects could deliver 10,245 gross direct jobs and £2bn GVA contribution (Gross Value Added, an estimation of the economic value added at each stage of production), with over £1.5bn of further thematic benefits identified over a 15-year horizon.</p> <p>2.5 Subject to a positive response from UK and Welsh Governments to the submission, the immediate aim is to secure an announcement on the Swansea Bay City Deal in the Chancellor of the Exchequer's Autumn Statement in November 2016.</p> <p>2.6 A copy of the February 2016 City Deal proposal can be downloaded from the following Swansea Bay City Region web site page link: -</p> <p>http://www.swanseabaycityregion.com/en/city-deal.htm</p> <p>See Appendix A for further information</p>
10.	<p>Councillors M H Jones, J Newbury & Paul Meara As the lease for Swansea Airport is due to expire very shortly what plans are there for the airport.</p> <p>Response of the Cabinet Member for Finance & Strategy On 17 March 2016 Cabinet approved the renewal of the current lease (Minute 208). The statutory renewal process has been initiated and is ongoing.</p>

	<p>PART B - None</p>
11.	<p>Councillors M H Jones, J Newbury & P M Meara Swansea Market is very well respected throughout the area and with all the works that have taken place to enhance the shopping experience will the Cabinet Member tell us if all the stalls are let and also if there are any rent arrears from any of the current stall holders.</p> <p>Response of the Cabinet Member for Enterprise, Development & Regeneration Currently all stalls in the Market are let except for 3 units which are vacant and available to prospective tenants which represents an occupancy rate of approx. 98%. Applications have been received for two of these stalls and are in the process of undergoing review and the required consultation.</p> <p>Current stallholder rent arrears total £32,412 which represents 3% of the total annual target rental income. The treatment of these is subject to a consistent arrears management procedure which has seen a significant reduction in arrears and rents paid in full and on time in recent years.</p>

APPENDIX A

The Swansea Bay City Region (SBCR) Deal Proposal has been built around the concept of an “Internet Coast” incorporating four sectoral “Internet” themes – Economic Acceleration; Energy; Life Science, Health & Wellbeing; and Smart Manufacturing. Each Phase 1 City Deal proposal is listed under its relevant Internet theme

INTERNET OF ECONOMIC ACCELERATION

Joint Cabinet Committee Support Organisation (Governance) – This will provide project management and communications support across the entire regional proposition and an integrated regional approach to support enterprise and innovation, with sector-specific initiatives against all themes of the City Deal. The Joint Cabinet Committee will be controlled by, and accountable to, 8 regional Partners – the four City Region Local Authorities as well as Abertawe Bro Morgannwg University Health Board, Swansea University, Hywel Dda University Health Board and the University of Wales Trinity Saint David Group. Partners will carry different responsibilities and obligations and the Committee’s meetings will be structured with separate agenda blocks. The four Local Authorities will take responsibility for City Deal Fiduciary and Collaborative Local Authority Working agendas, whilst all 8 Committee Member organisations will have an equal voice and voting rights on Strategy.

Swansea City & Waterfront Digital District – The Digital District aims to create a vibrant and sustainable city centre that facilitates the growth of higher value activities (particularly technology businesses) and acts as a key driver for the regional economy. It will create incubation space and co-working areas for start-ups and small businesses at the Waterfront development; create a new City Centre Business District to support the growth of tech businesses and other higher value added activities, and develop a Digital Square and Arena to revitalise the City Centre.

Yr Egin (Creative Digital Cluster) – Building on the decision by S4C, the Welsh language broadcaster, to establish a significant presence in Carmarthen, Yr Egin will develop a new digital creative cluster to attract creative SMEs to start up or expand through providing next generation digital infrastructure, business accelerator facilities, incubation space, and networking opportunities.

Centre for Excellence in Next Generation Services – The Centre will act as a systems and solutions hub for the Internet Coast, bridging the gap between research and innovation and the ability to launch, develop and grow commercial opportunities.

Skills and Talent Development – This initiative, delivered through the collaborative Regional Learning and Skills Partnership comprising private and public sector membership, will ensure the creation, attraction and retention of a workforce equipped to deliver each of the City Deal strands, alongside contributing to a broader uplift in productivity across the wider economy.

A regional Digital Infrastructure and Test Bed – This intervention deliver 5G regional Test Beds and enhancements to existing communications infrastructure such as G.Fast and the development of an internationally significant Data Lake. These infrastructure investments will underpin and enable improvements in GVA, productivity and the commercialisation of the regional asset base. The aim is to realise the vision of a hyper-connected region and 100% coverage and access to next generation Broadband services.

INTERNET OF ENERGY

Homes as Power Stations – This initiative will be led by the four local authorities and supported by Swansea University to address the fuel poverty experienced by many communities across the region, while supporting an emerging industry cluster that exploits opportunities to utilise a building's fabric to generate and store solar energy.

Pembroke Dock Marine – The project harnesses port infrastructure to develop a marine energy test area, an energy engineering centre of excellence and wave energy demonstration zone. By creating a cluster of resources, knowledge, and capabilities the Catapult will accelerate technology development, enhance the sectors success, and ensure continued investment and development in other test sites across the UK.

INTERNET OF LIFE SCIENCE, HEALTH & WELLBEING

A new Health and Wellbeing Campus and Village Network will be created to support the growth of the life science sector and healthcare innovation. Life science/health innovation hubs and satellite sites will be created across the region, in hospital and primary care settings, strengthening the region's capacity to commercialise research, attract additional inward investment, and further increase the export of high value services and goods, such as medical devices.

Campus Network – The Campuses Phase 1 project will create expanded infrastructure with wider capabilities allowing more and larger opportunities to be captured, ranging from major inward-investment opportunities to HE/NHS commercialisation activities: -

- A **Morrison Campus** will expand research and innovation infrastructure in the field of genomics and proteomics alongside world-leading clinical delivery. Working alongside a regional centralisation of pathology services at Morrison Hospital, the Campus development will support creation of research collaboration and industry engagement facilities. World-leading research capacity in health and bio-informatics, together with a cluster of SMEs and multinational ICT/Pharma partners, provides a strong foundation and UK Unique Selling Point for this high-growth sector.
- In parallel, the reconfiguration of Swansea University's real estate will facilitate expansion of the **Singleton Campus** where a growing cluster of medical and other health technology companies/collaborations are focused. The Campus expansion will allow currently oversubscribed RD&I facilities to engage in

prospective partnerships and projects attracted by the regional strengths in academic, clinical and industrial collaboration.

Village Network – This network will comprise a primary/community care facility, an ILS satellite and an education and skills development capability. A Health & Wellbeing village network will be constructed and operational during the first five-year period of the programme, with its first centre located at Llanelli. The villages will be digitally connected to the campuses through the Internet of Economic Acceleration capability and the network will drive local and regional economic activity.

INTERNET OF SMART MANUFACTURING

Steel Science Innovation Centre – The Centre will address the current and future challenges of sustaining primary steel-making capacity in the region and the UK. In doing so it will place the region at the cutting edge of low carbon production and the utilisation of locally generated waste products such as chemical and raw materials feedstock. This is a model that could be exported to all developed economies ensuring a vibrant, sustainable and profitable steel sector with regional and national product specialisms.

Factory of the Future – This initiative will support SMEs to invest in leading edge technologies and harness the opportunities associated with a digital manufacturing revolution. Informed by “Industry 4.0” design principles (incorporating increased automation and data exchange in manufacturing technologies e.g. the application of cyber-physical systems, the Internet of Things and Cloud Computing), and supported by world class industrial innovators, this initiative will put the region and its enterprises at the forefront of this digital and data-based manufacturing movement creating a regional integrated manufacturing ecosystem.

APPENDIX B

The Mynydd y Gwair Wind Farm was granted planning permission 10 March, 2014 subject to conditions (ref:2012/1221). The Local Planning Authority are currently considering 16 pre-commencement conditions. The MYG onshore wind farm will comprise 16 turbines, each capable of generating between 2 and 3 MW of electricity, giving a total installed capacity of between 32 to 48MW.

Innogy are proposed to establish a community benefit fund with the proposed payments of up to £5,000 per MW of installed capacity, which based on the installed capacity, would be in the region of £160,000 to £240,000. It is stressed, however, that the community benefit fund does not constitute part of the planning permission.

The effectiveness of any form of electricity generation system will be influenced by a wide variety of factors and it is not considered appropriate to compare the effectiveness of wind turbines with the capacity of tidal or nuclear power in this respect.

The planning application Ref: 2012/1221 was accompanied by a Carbon Balance Report. It concluded that the results of the carbon calculator for the proposed wind farm development at Mynydd y Gwair show that the wind farm development itself is estimated to produce annual carbon savings in the region of 45,202 tonnes of CO₂ per year through the displacement of grid electricity (based on a counterfactual emission factor of 0.43 kg CO₂/kWh). This was calculated on an assumed turbine capacity of 2.5MW. This represents displacing grid electricity generated by combined cycle gas turbines, a source of electricity used as balancing power within the grid and the most likely source to be displaced as additional generation sources are added to the grid. Based on the proposed life expectancy of the wind farm of 25 years this would equate to 25 x 45,202 tonnes of CO₂ per year = 1,130,050 tonnes of CO₂.

The assessment of the carbon losses has estimated an overall loss of around 50,356 tonnes of CO₂ due to the construction of the wind farm and the impact of drainage on the peat. The estimated payback period of the wind farm is therefore **1.1 years**, with a minimum/maximum range of 0.8 to 1.6 years. The sensitivity analysis shows that this estimate is robust with respect to key parameters; altering these does not significantly increase the payback period, increasing the confidence in this estimate.

The key area of anticipated carbon loss (59.3%) is from the turbine manufacture. Soil organic matter, in particular the CO₂ loss from excavated peat contributes to approximately 37.8% of carbon losses (assuming some worst case parameters). The wind farm has been specifically designed to minimise the impacts on the peatland habitat and to reduce the volume of excavated peat removed by avoiding peat or by locating on shallow peat deposits <0.3m. Mitigation measures such as blocking drains to restore degraded bogs are not proposed. However it is anticipated that any gains from site restoration would be relatively small compared to anticipated losses and would only marginally reduce losses.

Agenda Item 18.

Report of the Chair of the Scrutiny Programme Committee

Council – 24 November 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:	Ann Williams
FOR DISCUSSION	

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

‘How scrutiny councillors are making a difference’

Parents of children with mental health issues at their wits’ end over services

(Lead: Councillor Mary Jones)

Scrutiny councillors have brought the concerns of parents to the fore in an inquiry into children’s mental health services. The inquiry heard how parents of children with mental health issues are often at their wits’ end about how to get help, with confusion about the role and scope of assessment and treatment services available.

The scrutiny inquiry focussed on how the Council can work with health and other partners to reduce demand for specialist child & adolescent mental health services, which are provided across the South and South West Wales region by the Health Board.

This piece of scrutiny has raised awareness and understanding of the problems in this area, and attracted a lot of media coverage. Councillor Mary Jones, who chaired the Inquiry Panel, said: ‘This has been a very difficult and emotive inquiry. Referrals to the Child & Adolescent Mental Health Services (CAMHS) have doubled in the last four years, but we found confusion amongst professionals and parents about who was eligible for specialist help, what the criteria was, and how the referral process worked. We’ve heard some difficult stories. A lot of parents are at their wits end, which is extremely sad. We hope that our inquiry will help make things simpler so that children can receive the right assessment and treatment that is necessary, before things get worse. This need for mental health support services is set to continue to grow and to meet this demand it is clear that things need to be done differently; and decisions taken at the top about how resources are used need greater input from professionals and parents.’

The difference between mental health issues and mental illness was one that was adding to the confusion as the CAMHS Service is quite a small specialist service, and its purpose is not well understood. The danger, according the scrutiny report, was that many problems were going unnoticed and never referred for specialist help. The Panel felt there was a distinct gap in services for children and young people with mental health needs who were not diagnosed with an illness but who could benefit from help.

The scrutiny report, with its conclusions and recommendations, was presented to Cabinet on 20 October. The report makes 16 recommendations. Amongst the things that the report calls for is:

- clarification from CAMHS about the services it provides, referrals and eligibility, and for that to be clearly shared with other agencies
- a training programme for education staff in collaboration with CAMHS so that issues can be identified at an early stage
- parents and carers of affected children being involved in the planning of CAMHS services
- the creation of an access and information point for worried parents to give advice and screen new referrals
- monitoring of referral rates and waiting times for those eligible to receive help

Working with relevant partners, Cabinet is expected to respond to the recommendations in December. The Panel will follow up on action and the impact made from this work during 2017.

Volunteers need more support if communities are to take control

(Lead: Councillor Terry Hennegan)

Scrutiny councillors have listened carefully to views around getting communities to have more say and take control of local services. They have agreed that more needs to be done to recognise the work of volunteers and community groups and the vital difference they make to their communities.

Councillor Terry Hennegan, who chaired an Inquiry Panel, said: 'There was a consistent message from our evidence gathering that many community volunteers and community groups do not feel valued either by their communities or by the Council. The Panel felt that that recognition for the work of volunteers is important because it provides encouragement and it lets them know that they have the support and backing of the Council and the wider community.'

Focussing on the Council priority to build sustainable communities, the Scrutiny Inquiry shone a spotlight on work to promote and develop what is referred to as 'community action' and build capacity. Scrutiny Councillors looked at how this is being managed and have made recommendations to help this work, given the significant budget cuts that the Council is facing which will affect the ability to sustain certain services, for example in sports and leisure services.

The scrutiny report makes a number of recommendations to Cabinet, focused on how the Council can best support residents to run services in their own communities. Much of the emphasis is on communicating and working closely with residents, community groups and our third sector partners to ensure that services continue and are of good quality. In terms of supporting community groups and volunteers the Panel calls for:

- a campaign to promote the role of volunteers including celebrating and valuing the role and highlighting benefits of volunteering is undertaken.
- an annual Lord Mayor's Award for Community Work.
- peer to peer networks and mentoring programmes to help share expertise and support across community groups.

A response to the recommendations is expected in December and actions will be followed up by the Scrutiny Panel during 2017.

Showing how the culture at work is important to improvement

(Lead: Councillor Andrew Jones)

Our recent scrutiny inquiry on corporate culture has been picked up by the Wales Audit Office as a good practice example. On its 'good practice exchange' the Wales Audit Office has published a story applauding scrutiny in Swansea for tackling cultural change and identifying its importance to organisational improvement.

An in-depth inquiry was carried out last year focussing on how the council can develop and improve its culture. In the last edition of Dispatches we reported on the follow up and impact made by this scrutiny work. The Innovation Programme is the focus for the Council's work on cultural change, and Councillors were pleased to hear that the inquiry had provided a focus for improvement and will continue to be a checklist for future work.

The Wales Audit Office recognised that it is seen as a difficult issue to get to grips with, and praised the pro-active efforts of scrutiny to examine this and look for improvement, and add value to the Council's Innovation Programme. In their words: 'there are some eye-catching proposals that focus on the organisation's people. They cover the whole staff journey from corporate inductions, mainstreaming innovation into appraisals and developing personal skills to avoid buying in expertise....it's great to see that the council are looking at how they can move away from a blame culture'.

Chair's Roundup:

This is my second quarterly roundup of the work of scrutiny for 2016/17.

Gathering evidence

Focussing on some of the Council's priorities, in-depth inquiries are in progress looking at improving the Council's Tackling Poverty strategy (lead: Councillor Sybil Crouch), Children's Readiness for School (lead: Councillor Hazel Morris), and developing Partnerships and Collaboration (lead: Councillor June Burtonshaw). A number of different methods are being used to gather evidence for these inquiries, to take in a range of perspectives which will inform conclusions and recommendations for improvement. A scrutiny report on each of these topics will be published in early 2017.

Checking on performance

Child & Family Services (lead: Cllr Paxton Hood-Williams) – the Panel continues to monitor and challenge performance, as an area of high demand and high spend. With regular questions on the number of looked after children and reduction strategies, it is pleasing to see that numbers have fallen steadily over the last few months.

Adult Services (lead: Cllr Uta Clay) – this new Panel is only a few months old and is establishing a regime for regular monitoring of Adult Services.

Schools (lead: Cllr Fiona Gordon) – the Panel is focussed on school improvement and improving outcomes for children and young people. Recent meetings have included discussions with Cefn Hengoed Comprehensive School and Bryniago Welsh Medium Primary School about their improvement journeys. The Panel has also looked at how well schools are using tools and techniques for intervention, and identifying good practice.

Public Services Board (lead: Cllr Mary Jones) – there is a statutory duty on council's to scrutinise the work of Public Services Board in Swansea and the first meeting of this multi-agency Panel took place in September to discuss how it will consider what difference the Swansea Public Services Board is making for citizens.

Questioning Cabinet Members

Each month's 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 Environment & Transport in November, Cabinet Member for Adults & Vulnerable People in December, and the Leader in January. 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 Education, Anti-Poverty & Communities, and Enterprise, Development & Regeneration.

Examining Commissioning Reviews

One of the ways in which scrutiny hold the cabinet to account is to carry out pre-decision scrutiny. This means questioning Cabinet Members on proposals, taking into account strategic impact, public interest and financial implications, and presenting views to Cabinet ahead of decisions. Amongst these are Commissioning Reviews where Cabinet is taking significant decisions about the future of our services, under the backdrop of financial pressures and sustainability. The Service Improvement & Finance Performance Panel has looked at the Commissioning Reviews concerning Waste Management, and Corporate Building & Property Services. Some general concerns have been raised on the clarity of information provided on stakeholder involvement / consultation, and financial implications of selected options. These have been acknowledged by Cabinet Members for future reports. Next up are Highways & Transportation, and Parks & Cleansing.

Picking up public concerns

Following a public request for scrutiny we have agreed to set up a Working Group to look at issues around Houses in Multiple Occupation. An initial officer briefing is being planned for 25 November and then a further meeting that will enable the public to give views. Further information about this to follow. Anyone living or working in Swansea can get in touch with us about matters of concerns as scrutiny may be able to help. We also have time set aside at every Scrutiny Programme Committee for a public question time, for questions to any Cabinet Members present about their work or to myself concerning the scrutiny work programme.

Talking about public engagement, the [Swansea scrutiny blog](#) has been highlighted as a good example of public service journalism by [Chris Bolton](#), good practice manager at the Wales Audit Office. This is welcome recognition of scrutiny in Swansea and the steps being taken to increase media coverage and improve public engagement in our work. He highlights the importance of Councils working with the local press – to keep their communities informed and involved. We are now monitoring the amount of media coverage received as part of performance measures for developing scrutiny.

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. We followed up on the work of the Tree Preservation Scrutiny Working Group, which had made a number of recommendations to the Cabinet Member for Enterprise, Development & Regeneration. Having discussed with the Cabinet Member, who welcomed this work, we were pleased with and encouraged by the progress that has been made, particularly by Council's Landscape Team. We welcomed the development of a Tree Policy, which will amongst other things cover the replanting of trees on Council land. We noted there were some recommendations still in progress, and amongst these the Cabinet Member confirmed that the implications of placing Tree Preservation Orders on Council land prior to sale was being discussed. There was concern amongst councillors that many trees have been lost through sale of council land because of the failure to protect trees.

Guiding Co-opted Members

We have developed guidance for co-opted members once they have joined Scrutiny Panels and Working Groups, adding to the previously agreed protocol for co-option. This helps to clarify responsibilities and expectations to help co-opted members make an effective contribution to the work of scrutiny. Mrs Beverley Phillips, Head Teacher of Blaenymaes Primary School has been co-opted by the Tackling Poverty Inquiry Panel, to assist the Panel with its work.

Coordinating with the work of the Audit Committee

We met with the Chair of the Audit Committee, Alan Thomas, in support of developing the relationship between scrutiny and the Audit Committee and coordination between respective work plans. He cited examples where the work of the Audit Committee and scrutiny has been complementary, with issues around school governance, and planning matters being picked up by scrutiny. He was clear about respective roles, and remarked on the capacity of scrutiny to look at issues in depth. Overall he was pleased with the relationship between the two committees, coordination, and mechanisms for dialogue and raising issues. He was also pleased to be involved in the Annual Scrutiny Work Planning Conference.

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.

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