



City and County of Swansea

Notice of Meeting

You are invited to attend a Meeting of the

Cabinet

At: Council Chamber, Guildhall, Swansea

On: Thursday, 15 February 2018

Time: 2.00 pm

Chair: Councillor Rob Stewart

Membership:

Councillors: J E Burtonshaw, M C Child, W Evans, R Francis-Davies, D H Hopkins, A S Lewis, C E Lloyd, J A Raynor and M Thomas

The use of Welsh is welcomed. If you wish to use Welsh please inform us by noon on the working day before the meeting.

Agenda

Page No.

1. **Apologies for Absence.**
2. **Disclosures of Personal and Prejudicial Interests.**
www.swansea.gov.uk/disclosuresofinterests
3. **Leader of the Council's Report(s).**
4. **Public Question Time.**
Questions must relate to matters on the open part of the Agenda of the meeting and will be dealt within a 10 minute period.
5. **Councillors' Question Time.**
6. **Annual Review of Charges (Social Services) 2018/19.** 1 - 76
7. **Pre-decision Scrutiny Feedback on the Annual Budget. (Verbal)**
8. **Medium Term Financial Planning 2019/20 to 2021/22.** 77 - 109
9. **Revenue Budget 2018/19.** 110 - 188
10. **Capital Budget & Programme 2018/19 – 2021/22.** 189 - 204
11. **Housing Revenue Account (HRA) Revenue Budget 2018/19.** 205 - 210

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 12. Housing Revenue Account – Capital Budget and Programme 2018/19 – 2021/22. | 211 - 227 |
| 13. Pre Decision Scrutiny Feedback - Transfer of Management of Allotments from City & County of Swansea to Management Associations. (Verbal) | |
| 14. Transfer of Management of Allotments from City & County of Swansea to Management Associations. | 228 - 235 |
| 15. Local Authority Governor Appointment. | 236 - 237 |
| 16. Financial Procedure Rule 7 Local Transport Fund Grant 2017/18. | 238 - 250 |
| 17. Pre Decision Scrutiny Feedback - Highways and Transportation Commissioning Review. (Verbal) | |
| 18. Highways and Transportation Commissioning Review. | 251 - 254 |
| 19. Exclusion of the Public. | 255 - 258 |
| 20. Highways and Transportation Commissioning Review. | 259 - 312 |

Next Meeting: Thursday, 15 March 2018 at 2.00 pm



Huw Evans
Head of Democratic Services
Tuesday, 6 February 2018

Contact: Democratic Services - Tel: (01792) 636923



Report of the Cabinet Member for Health & Well-being

Cabinet – 15 February 2018

Annual Review of Charges (Social Services) 2018/19

Purpose:	<p>To review changes to the Council's Charging Policy (Social Services), and to agree upon a list of charges to apply in 2018/19.</p> <p>Details of charges are laid down in the following link: Charging Policy (Social Services)</p>
Policy Framework:	<p>Social Services, in accordance with the detailed code of practice and regulations under Parts 4 & 5 of the Social Services and Well-being (Wales) Act 2014.</p> <p>The report accompanies the annual review of charges for social services in Swansea (Appendix 1), with a set of recommendations for changes to the Council's Charging Policy (Social Services), and in particular the List of Charges to come into effect in April 2018.</p>
Consultation:	<p>Access to Services, Finance, Legal.</p>
Recommendations:	<p>It is recommended that:</p> <ol style="list-style-type: none">1) The updated report on the Annual Review of Charges for Social Care by the Chief Social Services Officer is accepted2) A general uplift of 5-6% for all social services charges, and an above inflation increase to home care charges is applied.3) A charge for Day Services- Older People is introduced4) A charge for Day Services- Adults/ Special Needs is introduced5) A charge for respite at home is introduced and aligned with the charge for other forms of home care.6) The List of Charges to apply in 2018/19 is agreed.7). Cabinet notes the amendments and approves the Charging Policy (Social Services).

Report Author:	Simon Jones
Finance Officer:	Chris Davies
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar

1. Introduction

- 1.1 This report provides a summary of the Chief Social Services Officer's annual review of charges (social services), and sets out the recommendations arising from this review cycle, following the Council's budget consultation exercise.
- 1.2 Swansea Council, under Parts 4 & 5 of the Social Services and Well-being (Wales) Act 2014, has to work within a single social services charging policy framework, and to set out a list of charges to be applied to Swansea citizens in the year ahead.
- Under the Act, a local authority can only charge:
- up to the cost of providing the service
 - what the person can afford to pay for an assessed for service
- 1.3 Swansea's Charging Policy (Social Services) was approved by Council in April 2016, and the first annual review was carried out last year.
- 1.4 The full report of the Chief Social Services Officer on the second annual review of charges -social services 2017/18, is appended to this report to Cabinet (see Appendix 1).
- 1.5 This latest report provides the detail on annual review process, it summarises the feedback from the consultation process, how the charges could impact on citizens and vulnerable population groups, how this can be addressed and a set of recommendations to meet the Council's current strategic priorities.
- 1.6 A revised List of Charges, to apply in 2018/19, is also appended to this report (see Appendix 2).

2. Background to Annual Review of Charging Report

- 2.1 Swansea Council has to have a Charging Policy (Social Services), and is expected to review the list of charges, as they are applied, annually. This report summarises the findings of this annual review. The revised charging policy is appended to this report (Appendix 4).
- 2.2 The Council operates this charging policy, in accordance with the framework set out in the Social Services and Well-being (Wales) Act 2014, in particular the Parts 4 & 5 regulations, codes of practice and statutory guidance.

[Part-4-and-5-code-of-practice-charging-and-financial-assessment](#)

- 2.3 The arrangements for paying for social care in Wales has to balance public sector and individual contributions through charging. This remain a matter of debate and controversy, and though some reform has taken place, there is still room for Local Authority discretion and policy making. Public funding of social care is under pressure as Council budgets are squeezed, demand for services is increasing and all care providers face new financial challenges, including the introduction of the National Living Wage.
- 2.4 Non-residential social care services such as domiciliary care, respite care or day care services are either directly provided, or commissioned from external agencies by the Council. Under the current policy, and the framework of the Social Services and Well-being (Wales) Act 2014 (SSWB Act), a local authority can only charge:
- up to the cost of providing the service
 - what the person can afford
- 2.5 Welsh Local authorities have discretion over whether to make charges for these services, although almost all do. The scope and levels of any charges set by each Local Authority, are only constrained by legislation, specifically the Social Services and Wellbeing (Wales) Act 2014 and in particular the Care and Support (Charging) (Wales) Regulations 2015 which are amended annually. This coming year, the Maximum Weekly Charge applicable in non-residential charging is to be increased from £70 to £80 per week.
- 2.6 Swansea Council also has a corporate financial policy for setting charges covering all services, that, where appropriate, a principle of full cost recovery should apply. The charging policy and financial assessment of each person subject to charging should ensure there is no cross-charging for services. This is taken to mean that the charge can only cover services to meet an assessed need, and that the charge does not exceed the cost of the service.
- 2.7 All social services charges are reviewed on an annual basis, to support the Council's financial and charging plans. Some in-year reviews for new or existing charges can also take place during the financial year. Also considered is whether local charges should reflect social care inflationary pressures, and any additional costs likely to apply in 2018/19.

3. Main Findings

- 3.1 The Chief Social Services Officer's annual review of charges follows the steps as suggested by Wales Audit Office, in that it considers:
- strategic context,
 - statutory framework and financial policy
 - current charges/fees for commissioned services,
 - comparisons of charges with other Welsh Local Authorities
 - current unit costs of providing the service in house

3.2 An updated annual review report (Appendix 1) sets out findings within the following

- Background to Current charging proposals
- Feedback from budget consultation
- Assessment of impact linked to changes/ EIA
- Proposed actions to address issues/ impact
- Recommendations

3.3 **Summary of feedback on budget proposals relating to charges**

- i) A general uplift of 5-6% for all charges to reflect inflationary pressures
55.5% of people who responded to the survey disagreed, or strongly disagreed with this proposal
Comments range from people accepting increasing costs of home care, and the need to pay decent wages, to other stating that what amounts to a 50% increase is outrageous.
- ii) Day Services - Older People's (new charge)
72.2% of people who responded disagreed or strongly disagreed with this proposal
Comments include that day services are vital and how much people look forward to attending but that the charge per day is too high.
- iii) Day Services -Adults with special needs day services (new charge)
74.6% of people who responded disagreed or strongly disagreed with this proposal
There has been strong comments from carers and service users on this proposal, which will impacts on a range of target population groups, and vulnerable adults: Mental Health, Learning Disability, Physical Disabilities, Sensory Impairment and Carers. These groups are also the most economically challenged, or marginalised.
A number of parent/ carers have said they will pull the cared for person out of the service rather than pay a charge or allow them to be the subject of a financial assessment.
- iv) Respite at home service (new charge)
59.6% of people who responded disagreed or strongly disagreed with this proposal
Comments include by offering more support to those family carers that do the care, such as an hour or 2 respite, can help enable them to continue to provide long term personal care/meal provision, being proactive in preventing residential care admissions or hospital stays.
- v) Home Care (increase in hourly charge)
59.7% of people who responded disagreed or strongly disagreed with this proposal.
Comments range from people accepting increasing costs of home care, and the need to pay decent wages, to other stating that what amounts to a 50% increase is outrageous.

3. Equality and Engagement Implications

- 3.1 Swansea Council's Charging Policy (Social Services) is applied equally, in that all assessed needs for care and support services, where they are broadly the same, are treated as the same.
- 3.2 The EIA undertaken identified some potential impacts, however the impacts to each of the different protected characteristic will be fully considered in each individual circumstance. If the new charges are agreed, each individual will have to undertake a financial assessment. The assessment will fully consider the social care assessment which contains an individual's personal profile details. As the individual's assessment is unable to be carried out prior to the introduction of a new/increased charge, the full impact can't be assessment until after implementation.
- 3.3 The Council's budget consultation responses showed some potential impacts such as:
- Impact on people receiving benefits or with low income
 - Impact on carers, and their relationship with cared for person
 - As a disincentive to people accessing social care services
 - Impact on the most vulnerable people/ target population groups such as older people, people with mental health needs, people with learning disabilities, people with physical disabilities, people with sensory impairments, people with complex health needs/ chronic conditions, young people reaching a transition to adult social services
- 3.4 Actions to mitigate against these potential negative impacts include:
- Where citizens or service users are considered to be eligible for a charge, then a financial assessment is offered to determine their means to pay. In Wales, under the Act, there is a maximum weekly charge for homecare and other non-residential, community based, social care services.
 - The current maximum charge from 10 April 2017 is £70 per week, and this is reviewed annually by the Welsh Government (set to increase to £80 in 2018/19).
 - The Parts 4 & 5 Code of Practice guidance advises Local Authorities that: "because a person who receives care and support outside a care home will need to pay their daily living costs such as rent, food and utilities, the charging framework seeks to ensure they have enough money to meet these costs".
-“As a result after charging local authorities must leave a person who is being charged with a minimum income amount”.
 - Where a person is lacking capacity to fully understand the charges, they may still be assessed as being able to contribute towards the cost of their care and support.

- The local authority has put in place policies regarding how they communicate charges, how they carry out financial assessment and how they apply charges in practice.
- If a service user declines to receive a service to meet their needs because of the imposition of new charges, then the care and support plan will still have to address their needs, with their agreement.
- Alternative care and support arrangements may be sought out in this situation, including the offer of direct payments, carers support services or other local support arrangements.

3.5 There are clear principles, in the current Council's charging policy (social services), that states that a person's ability to pay should not preclude access to care and support, or that the charges for care and support should not exceed the costs of provision.

3.6 **Council's budget consultation process**

The Council's budget consultation period was open for six weeks between 14th Dec. 2017 up to 26th Jan 2018, and later extended by one week to 2nd February 2018. Within the period the following activities took place

- Council opened up a budget consultation survey on the public website and paper copies of the survey were made available in public libraries and buildings.
- A letter from Chief Social Services Officer was given to services users attending day services, informing them about the budget proposals and the consultation on new charges, together with directions for the internet survey (approx. 960 service users)
- Hard copies of the letter, the consultation survey and answers to a set of Frequently Asked Questions were also provided to service managers and service users/carers on request.
- Day Services managers and staff were briefed to support service users in how to complete the consultation survey. Some information sharing events were also held in day services involving service users and carers, on request from the service.
- Social Services also identified those citizens who are most likely to be impacted by all of the proposed changes e.g. people who have received a financial assessment (open case), and a letter on behalf of the Chief Social Services Officer (approx. 2920 households).
- A small number of people receiving direct payments in lieu of day services who may not have received a financial assessment were also sent letters (approx.. 7 people)
- Some calls and letters were received and responded to by officers directly, though people were supported and asked to complete a survey response
- The responses received as part of the survey, which closed on 2nd February January 2018, and through consultation events held in services have helped to inform this annual review of charges.

A petition of **2221** signatures, against the proposed charges for day services, was received by Swansea Council on 26th Jan. 2018.

- 3.7 The full EIA for a revised Charging policy is attached to this report (Appendix 3).

4. Financial Implications

- 4.1 Welsh Government has maintained a view that, within local authorities, implementing the Social Services and Well-being (Wales) Act 2014 should be seen as cost neutral. The Act changes the charging arrangements for respite care, as the maximum charge (currently £70 per week) now applies for this service, rather than the standard residential care rate charges applied in the past. The Act grants further discretionary powers to local authorities, on what services can be charged for and the rates at which these are charges at, provided that these do not exceed the cost of providing the service.
- 4.2 Swansea Council has a corporate charging policy based on the principles of full cost recovery as reflected in the principles and findings of this review.
- 4.3 The maximum charge arrangements significantly limit the financial impact on individual citizens of any changes to charges for community services. The charges will bring the Council more in line with other local authority published charges by category
- 4.4 The maximum weekly charge arrangements will inevitably limit both the detrimental impact on individuals, and also the level of additional income the Council would otherwise receive. Any additional change to the weekly maximum charge for 2018/19 will likely have a further impact on both individuals and the level of income recovered by the Council.
- 4.5 Changes to be fully incorporated into the financial assessment process by our corporate Social Care Income and Finance Team (SCIFT) and the Abacus system.
- 4.6 Changes to the charges and use of long term residential care charges are also likely to have more of an effect on income generated, through any loss of income has to be considered alongside national changes to the capital limit.
- 4.7 In terms of inflationary pressures, a standard 5 to 6% uplift for this year reflects the many social care cost pressures affecting the care sector at present- living wage, energy costs, national standards and qualifications frameworks, etc.

5. Legal Implications

- 5.1 The Social Services and Well-being (Wales) Act, and the associated Regulations and Codes of Practice came into force on 6th April 2016, and these set out how financial assessments and charging for social care services should be managed by local authorities. Whilst the Welsh Government retains

the power to set caps and thresholds for charges, it is necessary for each Local Authority to publish their charging policy, and to establish a process to review, set and consult upon the list of charges to be applied.

- 5.2 The introduction of any new charges for care and support services, and proposals to significantly increase charges above inflation, will require specific consultation, equalities impact assessment and Cabinet decision.

Background Papers: None.

Appendices:

- Appendix 1 - Report on the Annual Review of Charges (Social Services) – To be updated by Chief Social Services Officer dated February 2018
- Appendix 2 - Proposed List of Charges -Social Services for 2018/19
- Appendix 3.Full Equalities Impact Assessment
- Appendix 4 - Swansea Council Charging Policy –updated, with amendments to come into effect in April 2018



Annual Review of Charges -Social Services 2017-18

Report by Chief Social Services Officer

Updated February 2018

1. Introduction

1.1 This updated report sets out Swansea Council's annual review of social services charges, following the recent budget consultation. It provides a detailed analysis of the current situation, background to the proposals, together with feedback from citizens and recommendations to inform a new list of charges **due to come into effect from April 2018**.

This review aims to ensure that Swansea's charging policy (social services) reflects key principles set out in Council policies and corporate principles: citizen voice and control, coproduction, equalities impact assessment, full cost recovery and full transparency in implementation.

1.2 Social Services and Well-being (Wales) Act 2014 ('The Act') extends a discretion to Local Authorities in the setting and reviewing of charges for social care services, whilst retaining national government control over thresholds or caps such as the maximum weekly charge and capital limit. Under the above, charges for social care can only relate to the 'cost that the local authority incurs in meeting the needs to which the charge applies' (s59 (2)).

Code of Practice for Pts 4 & 5 of The Act also states that social care charges are not to be set at a level *higher than* the cost of providing the service.

Link to Code of Practice:

- Part 4 and 5 Code of Practice (Charging and Financial Assessment)

https://socialcare.wales/cms_assets/file-uploads/Part-4-and-5-code-of-practice-charging-and-financial-assessmenr.pdf

1.3 Swansea Council, as with any Welsh LA, has to decide whether to charge for the care and support a person receives, though it must do so in accordance with the regulations and codes of practice in Parts 4 & 5 of The Act.

Swansea Council's has revised the Charging Policy (Social Services) to ensure it continues to meet the statutory requirements under the Act, that is to operate a single charging framework and to set out how the Council intends to apply those discretionary powers on charges conferred by Welsh Government.

1.4 The Council must offer a financial assessment to individuals who may need managed care and support to ensure any charge made is reasonable compared to the person's financial means. A

statement of charges to apply, is then issued to the individual, before the care and support, and charging, commences. In completing the financial assessment, there are some differences between calculating a charge for non-residential care and for residential care due to nationally set thresholds and caps on charges. The Council's Social Care Income and Finance Team (SCIFT) undertakes financial assessments, on behalf of the Social Services, in order to calculate how much a client must contribute towards the cost of their care. The team is also responsible for client contributions that in respect of outstanding care and support charges. <http://www.swansea.gov.uk/staffnet/SCIFT>

1.5 A statement from the Welsh Government Minister is expected to confirm the national charging thresholds and allowances in 2018/19, and these will be updated in Swansea's charging policy and list of charges to apply in 2018/19.

The main changes announced (Feb 2018) are:

- Capital Limit applicable in residential care charging is to increase from £30,000 to £40,000 in 2018/19 (the capital limit applicable in non-residential care charging is to remain as £24,000);
- Maximum Weekly Charge as applicable in non-residential charging is to increase from £70 to £80 per week;
- Personal Allowance (Minimum Income Amount) to people in residential care is to increase from £27.50 to £28.50 per week

2. Background

2.1 The current financial situation for Social Services is extremely challenging. Significant future financial pressures, current overspends and continued austerity mean that we have to look towards charging as a means of ensuring the sustainability of our services. Under the Social Services and Well-being (Wales) Act 2014, a local authority can only charge individuals:

- Up to the cost of providing the service
- What the person can afford to pay for an assessed for service

2.2 Corporate strategic priority is to safeguard our most vulnerable people, whilst providing sustainable services by supporting more people to remain in their own homes, within their own communities and to support carers. Currently, many of Swansea's charges for social care are significantly below to the costs incurred in providing the service. In some instances, a move to full cost recovery in a single year would result in such a significant increase that a longer-term approach might be required. However, one of the key principles of Sustainable Swansea is that full cost recovery should be the aim of all of our charging and that any deviations from this should be both visible and approved.

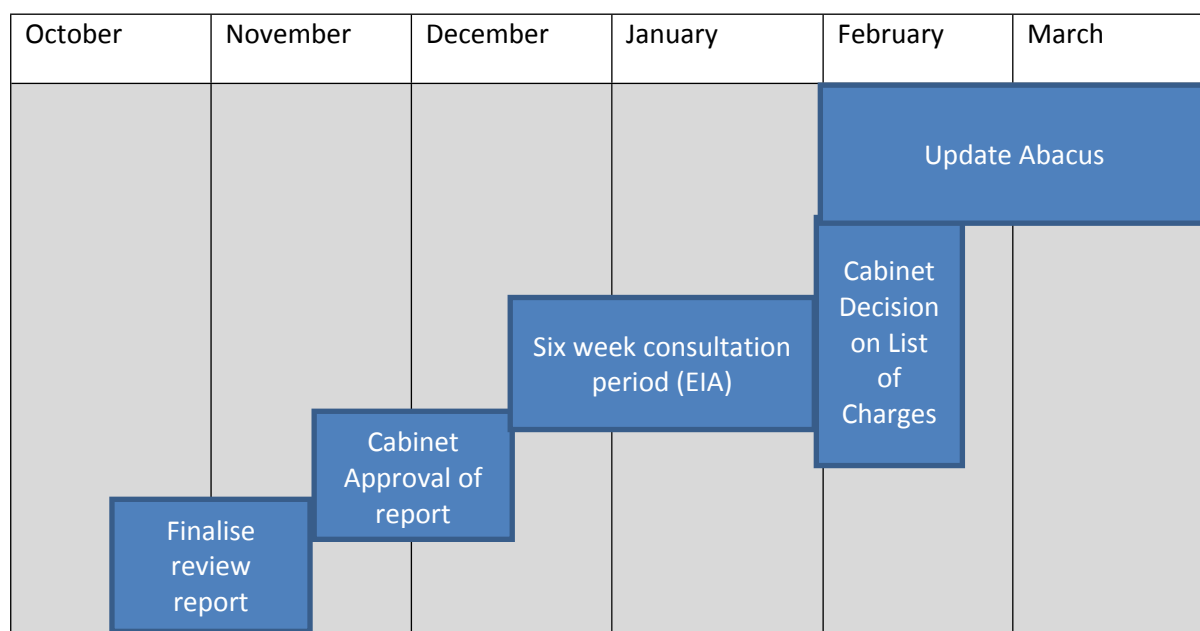
This charging framework, backed by financial assessment to safeguard the most vulnerable people in Swansea, will also ensure that individuals are not asked to contribute more than they can afford towards the costs of their care. Wherever a charge is to be made to a third party organisation such as another local authority or ABMU, the principle of full cost recovery will always apply.

3. Annual Review of Charges

3.1 The Social Services Finance and Charging working group was set up to ensure Swansea meet the statutory requirements for social services in all aspects of the finance and charging regulations and code of practice, and that the Council’s Charging Policy (Social Services) is being fully implemented. Chaired by Chief Social Services Officer, this meeting ensures that all areas of the Council are working together effectively to support implementation of the policy, improving social services and financial process, developing this annual review cycle, and to ensure that all of this supports Council’s strategic priorities and financial procedures.

3.2 This annual review report provides a full analysis of how charges are working across the main categories of service by considering the following: strategic considerations, current situation in how service is used, comparison with other Welsh Local Authorities, financial modelling of the impact of an annual uplift and new charges, equalities impact assessment and progress towards full cost recovery. Chart below shows the timeline for implementing the annual review of charges.

High Level Timeline for Annual Review of Charges (Social Services) 2017/18



3.3 Swansea Social Services follows the Wales Audit Office guidance on reviewing public services charges: <https://www.wao.gov.uk/system/files/publications/income-generation-2016-eng.pdf>

In particular, the review made use of the checklist of key considerations, as below and summarised in this report.

- How does it fit with our strategic priorities?
- Are we legally allowed to charge for this service?
- Who currently uses our services?
- What will be the impact on service users and citizens?
- What are the views of stakeholders, or plans to engage and consult?
- Are there other providers and what do they charge?

- How do we treat concessions and who is eligible?
- What is the cost of implementing the charge?
- Do we have the necessary arrangements to review activity?

3.4 Significant work was undertaken last year to produce the first annual review of charges. This second annual review supports the agreement for charges to apply in 2018/19. The review team has used actual expenditure figures up to June 2017, to determine a possible charging point for the 2018/19 financial year. There are three primary aims of this exercise; to ensure full transparency of the costs of our services to citizens to explore options to maximise income and to achieve a safe and equal impact on current service users, future service users and carers.

3.5 The current List of Charges is currently broken down in the following categories:

- a) Adult Services Long Term Residential Care (per week)
- b) Adult Services Short Term Residential Care (per week)
- c) Charges to Other Local Authorities (per week)
- d) Charges to ABMU (per hour)
- e) Adult Services Non-Residential (Community-based) Service
- f) Standard Charges

Part of the review process is to agree the best way of representing charges within categories used in the List of Charges. This Review has proposed new headings, and to simplify the tables used in the revised schedule, as shown in **List of Charges 2018/19 (Swansea's revised charging policy)**.

The new heading are follows

- a) Residential care and support services
- b) Non-residential, community-based care and support Services
- c) Other

3.6 Another important step in the charging review process is to identify the actual costs across the main categories of Adult social care services. Unit costing within Adult Services and the Council has historically calculated the actual expenditure incurred in the operation of a service during a sample month, and then added a certain percentage (e.g. 12.3%) for 'on- costs' of support services, management and property costs. However, when examining one particular month in isolation, it is possible that this month will not be representative of the annual costs of the service. Therefore this review has overcome this by extending the sample period in categories such as day services where there is wider fluctuation in service take up, and actual costs.

3.7 The annual review of charges also addresses those other service or policy areas where the Act has granted a certain amount of discretionary power to impose or set new charges to citizens. New areas of potential service charging were also reviewed, under the following categories:

- Day Services
- Supported Living
- Court of Protection
- Meals
- Transport
- Financial / Administration charges e.g. Deferred Payments
- Information, Advice and Assistance
- Support to self-funders
- Child and Family Services
- Support to carers
- Prevention and Early Intervention

3.8 Charging proposals Following the annual review, a set of new charging proposals was put forward, as agreed by Cabinet to go out for consultation. The main changes proposed to Swansea's charging policy, in particular within the list of charges to apply in 2018/19, are:

- a general uplift of 5-6% for all charges to reflect inflationary pressures
- a new charge of £40 per day for the Older persons Day Services
- a new charge of £50 per day for the Adults/Special Needs Day Services
- increase the charge for domiciliary care services, £15 per hour 2018/19, £17 per hour 2019/20, £19 per hour 2020/21
- charge for the respite at home service, £15 per hour 2018/19, £17 per hour 2019/20, £19 per hour 2020/21

3.9 Council's Budget Consultation – In order to carry out the widest possible public consultation on the proposals, the proposed changes to social services charging formed part of the Council's six week budget consultation period which closed on 2nd February 2018.

During the consultation period we engaged with as many of our existing service users as possible and encouraged responses from all of the key stakeholder groups, including carers and social care workers, non service users and 'hard to reach' communities.

We asked service users, carers and respondents to complete the Budget consultation survey form, which has enabled us to understand whether there are any unintended consequences of our proposals, particularly on people with on any of the protected characteristics.

These responses have been used to inform the main annual charging review report which we will be presented to Cabinet for approval on 7th and 15th February 2018.

4. MAIN REVIEW FINDINGS

4.1 Financial Analysis- Swansea Council's approach to charging, is based on the principle of full cost recovery. Also the revised policy can help to strengthen the Adult Social Services offer of community-based services and to target residential care provision where there is specialist need. This profile of services are part of the tiered model is set out in detail in the Adult Services Optimal Service Model.

4.1i General Uplift- the annual review team considered carefully of what figure to use, and this analysis includes:

- the latest inflation figure of 2.9% [August CPI]
- Other known social care cost pressures are expected to hit in 2018/19

Due to the difference in timing between June 2017, and the cost pressures likely to impact on social care by April 2018, it is proposed that a general uplift of 5-6% (last year = 2%) will be the proposal

4.1ii Day Services -older people- Swansea, unlike other Welsh LAs, has not previously charged individuals for attendance at our older persons' day services/ centres.

In calculating a suitable charge, adjustments were made for any exceptional factors likely to affect costs or activity data. It was calculated that an average cost per attendance at such services in June 2017 was £40.29. The proposal of this review is that the actual cost of a day service is to be reflected in the proposed charge, to those assessed as being able to afford such a charge from 2018/19.

Table 1 Older People Day Services

Charges for Services	Current charges in 2017/18	Charges to apply in 2018/19	% Increase/ Comment
Older Persons Day Services	No Charge	£40.29 per day /attendance , up to the means tested, maximum weekly charge currently £70 per week to apply	New charge, set to reflect unit cost of older people day service, subject to consultation

4.1iii Day Services for Adults/Special Needs –Swansea, again unlike other Welsh LAs, has not previously charged individuals for attendance at our day services for adults /special needs.

Adjusting for exceptional items, the average cost per attendance at day services in June 2017, as set out in table below. It is proposed that an average amount is charged to those assessed as being able to afford such a charge from 2018/19.

Table 2 Adult / Special Needs Day Services

Charges for Services	Current Charge in 2017/18	Latest unit cost 2017/18 per day	Charges to apply in 2018/19	% Increase/ Comment
Swansea Vale Resource Centre	No Charge	– £103.43	£50 per day /attendance, up to means tested, maximum weekly charge currently £70 per week to apply	New Charge set to reflect average for adult day services estimated by recent unit costing work, subject to consultation
Fforestfach Day Services		– £38.87		
Alternative Day Services		– £32.05		
Special Needs Day Services		– £94.56		
Cwmbwrla Day Centre		– £35.83		
Whitethornes Intensive Day Services		– £91.93		

Additional analysis of impact of charging on current day service users-

Table 3. Current Statistics on Day Centre Service Users in Swansea

Population	Older people (>65)	Younger Adults (18 – 65)
Proposed charge	£40	£50
Service Users		
Numbers currently attending	319	536
People Known to have been charged		
Numbers with existing charging record for community services	99	117
Of which, numbers already paying max contribution to SS (£70)	38	16
Numbers already paying max under means testing assessment	As above	As above
Numbers who will be expected to pay full charge (of those financially assessed previously)	Up to 61	Up to 101
People not financially-assessed previously	168	339
Numbers who will be expected to pay full charge (of those NOT financially assessed previously)	See notes below.	See notes below.
Unknown status	52	80

Until each day service user has their individual financial assessment, it is not known how much they will be expected to pay following the receipt of a statement of charges. Their circumstances can vary

in terms of income, and services received and whether the national threshold applies. Some local authorities have used a formula as guideline to calculate the numbers of people likely to have to pay the new charge, e.g. 40, 40 and 20. That is approximately 40% of current service users will already have been assessed, and paying charges, 40% will be charged for the first time and following their assessment will be expected to pay a charge contribution and 20% will not have to pay following financial assessment as their income will be too low. However there are still too many factors to determine how much income is likely to be generated.

4.1iv Home Care- there is currently a significant disparity between the amount charged by the Council and the cost of providing the home care service.

During the 2016/17 financial year, the weighted average cost of external domiciliary care was £15.19 per hour. It is likely that during 2018/19 the Council will be paying third parties in the region of £17 per hour. This represents a £6.80 per hour deficit on the current charge. When we consider the internal homecare costs, the current hourly rate is estimated to cost in the region of £40/hour.

The effect of the cap is significant and at the current charge, it is estimated that **42%** of users receive a level of charge that would be capped by the maximum weekly charge. There is a need to move towards full cost recovery for the external services whilst ensuring that a greater proportion of users pay their full contribution as set by care and support plan, and agreed following their and financial assessment in a statement of charge..

The current differential between the actual unit cost of service and hourly charge is such that an immediate significant increase is unavoidable. By the end of the current Council term, an external charge for domiciliary care of £19/hour is estimated, and there is a need to move the hourly charge to this figure within the time scale.

Such a trajectory could be as shown in the table below and this would be revisited as part of the annual review of charges cycle which considers the latest forecasts for costs and external fees.

Table 4 Home Care charging to full cost recovery

Costs as hour rates	2017/18	2018/19	2019/20	2020/21
Estimated Unit Cost	£16.00	£17.00	£18.00	£19.00
Charge	£10.20	£15.00	£17.00	£19.00
Increase %		47%	14%	12%
Increase £		£4.80	£ 2.00	£2.00

Implementing the above phased approach can ensure that 66% of users will (subject to assessment) pay the current maximum charge in 2018/19 increasing to 74% in 2019/20. Currently 18% of packages are less than 3 hours per week.

4.1v Respite at Home- this service can involve care at home for an arranged regular or planned breaks, one-off breaks, or even at short notice to help a carer or family cope with an unexpected situation, and this is a more flexible way of accessing a short break from caring. However the service

has similar costs and service requirement to a normal home care service, and the proposal is to use the cost analysis as the basis for a new charge.

4.2 How Swansea compares to other Welsh Local Authorities (2017/18)

Appendix 2. Review Summary Tables provides the full detail of the review’s comparison of Swansea’s charging for social care service against other LAs.

What this analysis shows is:

- Unlike other Welsh LAs, Swansea Council are atypical in not charging for day services
- Swansea has one of the lowest weekly charges £10.20/hour for Home Care, across Councils in Wales, and the UK (refer to previous annual review of charges -social services 2016/17)

Also this analysis show that opportunities for new charges exist, and some are being used by/ considered by other Welsh Councils- the table below shows how these are being considered.

Table 5. Other Charging for services

SERVICE HEADING	CURRENT SITUATION	RECOMMENDATION
Supported Living	Coproduced supported living framework, and charges are applied at home care rates	To reflect charges within List of Charges to apply in 2018/19
Court of Protection	As national framework	As national framework
Meals	Charges are currently made within services	To reflect charges within List of Charges to apply in 2018/19. No increase in charge this year to help mitigate some of the impact of introducing day service charges this year
Transport	Corporate service, in support of assessed need to attend some community based /day services	No change, to help mitigate some of the impact of introducing day service charges this year
Administration. /Deferred Payments	Charges are applied through a legal agreement with the Council, though this will not cover third party payments. Potential to apply interest charges in future	Clarification on third party top ups is reflected in revised charging policy
Information, Advice and Assistance	Statutory service still in development, under Pt 2 The Act	No Change
Support to Self Funders	Charges are being made, though only small numbers have made themselves known to Council. Complaint received about backdating charges	Addition to revised policy, to allow for cost recovery which is to be backdated to the date when assistance requested or placement started
Child and Family Services	No Charges apply - national guidance has been not to charge families for services to children in need of care and support	No Change

Support to carers	No charges apply- national guidance has been not to charge carers for support services	No change, though respite at home charge is likely to impact on some carers
Prevention and Early Intervention	No charges are applied, corporate prevention strategy in development	No Change

4.3 What Swansea’s citizens are telling us

The Council’s budget consultation period was open for six weeks between 15th Dec. 2017, up to 26th Jan 2018, and later extended by one week to 2nd February 2018.

Swansea Council’s public website hosted a budget consultation survey on the public website and paper copies of this survey were made available in public libraries and buildings. Day Services managers and staff were briefed to support in house- day- service users in how to complete

4.3i Responses to Council’s Budget Consultation Survey – the following table summarises the responses received.

Table 6 Summary of survey responses received (to 26th Jan 2018)

Proposal	Numbers	Examples of Comments
1) A general uplift of 5-6% for all charges to reflect inflationary pressures	59.6% of people who responded to the survey disagreed, or strongly disagreed with this proposal	Confusion about the term uplift, and what this means, and which charges this proposal applies to. There is a need to make public information about charges, and what a financial assessment involves, more accessible. People do not know where to look for information on social services and charges.
2) Day Services - Older People’s (new charge)	72.2% of people who responded disagreed or strongly disagreed with this proposal	Comments include that day services to older people are vital and how much people look forward to attending but that the charge per day is too high. Day Services are important in helping people to remain at home and in staying safe. They can help to prevent admissions to residential care or increasing needs. They prevent social isolation and loneliness, which has the biggest impact on older people. People are already charges for meals and this would be an additional charge, on people who can least afford it. This proposal also has a big impact on carers.

<p>3) Day Services -Adults with special needs day services (new charge)</p>	<p>74.6% of people who responded disagreed or strongly disagreed with this proposal</p>	<p>There has been strong comments from carers and service users on this proposal, which will impacts on a range of target population groups, and vulnerable adults: Mental Health, Learning Disability, Physical Disabilities, Sensory Impairment and Carers. These groups are also the most economically challenged, or marginalised.</p> <p>A number of parent/ carers have said they will pull the cared for person out of the service rather than pay a charge or allow them to be the subject of a financial assessment.</p> <p>Also that low cost day services do not merit the scale of charge, e.g. where service is just a meeting place or venue for flexible support or where a service user is attending to go out on work placement.</p> <p>Issue that some service users do not have a named social worker, or have not been reviewed for a number of years- therefore the charges will not reflect a current care and support plan or outcomes.</p> <p>Also people were uncertain about how direct payments are offered and how to access this as an alternative.</p>
<p>4) Home Care</p>	<p>59.6% of people who responded disagreed or strongly disagreed with this proposal</p>	<p>Comments range from people accepting increasing costs of home care, and the need to pay decent wages, to other stating that what amounts to a 50% increase is outrageous.</p>
<p>5) Respite at home service (new charge)</p>	<p>59.7% of people who responded disagreed or strongly disagreed with this proposal</p>	<p>Comments include by offering more support to those family carers that do the care, such as an hour or 2 respite, can help enable them to continue to provide long term personal care/meal provision, being proactive in preventing residential care admissions or hospital stays.</p>

4.3ii Face to Face meetings – Some information sharing events were also held in day services involving service users and carers to support engagement with the budget survey, and attended by a social services lead officer. Events were held at LlysyWerin, a Gwalia managed, day service in Gorseinon, and at the flexible support clubs held at St Phillips Centre. Also an evening session was hosted by the Tuesday “Link” club.

4.3iii Calls and complaints received- Letters were sent out on behalf of the Chief Social Services Officer to services users attending day services (approx. 960 service users), and to citizens known to have an open financial assessment (approx.. 2920 people). Also to a small number of people receiving direct payments in lieu of day services who may not have received a financial assessment

were also sent letters (approx.. 7 people). These letters were to inform people directly about the budget proposals and the consultation on new charges, together with directions for the internet survey. Some calls and letters were received from the public, and these were responded to by lead officers. Where possible, people were supported to complete the formal survey response.

Any complaints received were managed by Corporate Complaints team, and many of these were addressed directly by the Head of Adult Services.

During the consultation, attention (letter from regional elected representative) was drawn to work recently undertaken by the National Assembly's Health and Social Care Committee which looked into the issue of loneliness and isolation among our elderly population, which showed clearly that Council-run Days Centres such as these play a key role in supporting that agenda. The evidence shows that keeping elderly people active, and ensuring that they have centres in which to meet, helps maintain their health, and essentially reduces the financial burden on health and social services.

4.3iv Petition- a petition of **2221** signatures against the proposed charges for day services was received by Swansea Council on 26th Jan. 2018.

4.4 Assessment of Issues/impacts linked to charging proposals -a full EIA for the revised Charging policy has been completed. Clearly there are some significant impacts arising from increasing the chargeable amounts. as listed in the revised Council's charging policy (social services), and, in particular by applying new charges for day services.

Service Users who may be affected will be entitled to a financial assessment, or review of their current assessment, in relation to their individual circumstances.

Carers- who are indirectly and significantly affected by policies relating to provision of chargeable services to the people who they care for, e.g.

- Day services
- Cost and availability of respite care.
- Home Care

A carer has the right to a separate carers' assessment, of their own well-being support needs.

Charges are also applied to citizens who are self-funding their care by private or independent providers, and who are not directly regulated by the Authority, but subject to market forces. These charges they apply are sometimes higher than for commissioned services or may include a "Top Up" charge or surcharge.

Carers may also impacted by increases to charges and new charges, as this could reduce the household income and increase the costs of receiving social care, in respect of the carer for person.

4.5 Proposed Actions to Mitigate Issues from Equalities Impact Assessment

People who are eligible to be charged are already protected by three important policy entitlements:

- National statutory guidance requires that each person is offered a financial assessment of their means, in relation to ability to contribute to the charges for the care and support they require
- There are clear principles, in policy, that a person's ability to pay should not precluding access to care and support or that the charges for care and support should not exceed the costs of provision.
- There are personal thresholds set by the Welsh Government: namely a maximum weekly charge to be set at £70 per week (2017/18)

There is scope to review the Council's direct payments offer, and in particular where there are cases in which the person is using the direct payment to access day services, to achieve their own personal well-being outcomes.

Swansea Council provides good quality of support to carers, though there is scope to improve take up of the offer of a carers assessment to promote a carers access to support for their own well-being.

Citizens who are self-funders can apply to the Council for assistance in brokering or commissioning and managing their care and support, though a charge for this service will apply.

5. Conclusion

5.1 Welsh Government policy on social services charging (Pts 4 & 5 of the Act) allows for discretion within Local Authorities and this review ensures that due consideration is given to how this discretion is applied in practice. The review has been robustly managed through joint working between Corporate Social Care Income and Finance Team (SCIFT) and social services.

5.2 Maintaining the social service income is seen as crucial to the management of a sustainable budget agreed for Social Services and for the Council as a whole. This second annual review of charges has focused on addressing specific inflationary and cost pressures affecting the delivery and commissioning of social services, within the principles of fair access, equality and transparency.

5.3 The Council's model for reviewing charges in social services is based on the sound commercial approaches, and the principle of full cost recovery. Analysis of current situation, comparison with other Welsh councils, feedback from stakeholders, detailed analysis of unit costs, modelling of financial impact of new charges and an equalities impact assessment has helped to inform a clear set of recommendations for Cabinet's approval.

6. Recommendations

- 6.1 Decisions are taken by the Council on the charging proposals, to allow that the revised List of Charges (social services) is available for the public, and for charges to come into effect in 2018/19.
- 6.2 Further work can be undertaken, on a cost model for day services, to assess whether scope for charges to be differentiated e.g. traditional day services (high cost), flexible support and work placement schemes (lower cost). This development work should be linked to commissioning reviews (Sustainable Swansea) and the implementation of the Adult Services Optimal Model.
- 6.3 Public information and public website to be updated, to reflect revised charging policy, financial assessments and list of charges for 2018/19, also translated into Welsh Language and with efforts made to improve accessibility of public information on charging and financial assessments.
- 6.4 Implementation of the EIA actions, including as above to mitigate impact of the charges on people, and those with protected characteristics.

APPENDIX 1: Annual Review of Charges – Tables

How Swansea compares to other Welsh Local Authorities, within main categories for Adult Social Care charges (following quick email survey)

(NB some service heading may be defined differently by a particular Welsh LA- e.g. whether includes short term or reablement provision)

All figures shown in the following table are social services charges as agreed and applied by these Councils in 2017/18, unless stated otherwise.							
Local Authority	Home Care (subject to weekly charge)	Day Care (subject to weekly charge)	Direct Payments	Residential Care Long Term /Temp Elderly	Residential Care Short Term/ Respite (weekly charge applies)	Telecare/ Lifeline	Other
Swansea	£10.20 /hour	No Charge	PA Rate =	£530.53	£70 or means tested to res. care rate	£2.55/ week fixed rate	Meals =£3.50 Supported Living = £10.20/hour
Blaenau Gwent	£20.20 / hour	£55.10 per session	£13.90 per hour	General £474 EMI £603.70 LA EMI Res = £875.30	Banded £54.94 (A) to £79.27 (D) per night		Supported Living Services £22.20 per hour
Bridgend	£17.92 per hour	Rates from £32 per day up to £60.29 perday	Variable	Res. = £508-£622 High dep Res = £542 -£614 V.Dep Res. (MH) =£578 Nursing = £691.67-£813.67 (sp. Dementia rate)	Variable	One person in a household £5.08 per week Two people in a household £3.81 each per week	Meals in day centres =£4.37 per day

All figures shown in the following table are social services charges as agreed and applied by these Councils in 2017/18, unless stated otherwise.

Local Authority	Home Care (subject to weekly charge)	Day Care (subject to weekly charge)	Direct Payments	Residential Care Long Term /Temp Elderly	Residential Care Short Term/ Respite (weekly charge applies)	Telecare/ Lifeline	Other
Carmarthenshire	£10.55 / hour	£10.30 per session	£10.55 per hour	N/a	Standard charge at Ind. Placement rate	£1.18 monitoring £2.94 monitor & pendant	Meals = £4.30 Supported Living - £10.50 per hour
Caerphilly	£10.49/ hour	£5.60 per day	£10.49	LA Care Homes Elderly Frail - £576; EMI/High Dep - £852 Ind Sector rates: Elderly Residential - £557 EMI/High Dep Res - £608 Nursing - £547 EMI/High Dep Nursing - £605			Meal at Day Centre = £3.10 Supported Living = "10.49
Cardiff	Maximum weekly charge applied for Non-Residential Care Services	Maximum weekly charge for Non-Residential Care Services	N/a	£437 per week	Maximum weekly charge applied for Non-Residential Care Services	Telecare £3.97/week Lifeline =£4.56/week	Meals = £4.60

All figures shown in the following table are social services charges as agreed and applied by these Councils in 2017/18, unless stated otherwise.

Local Authority	Home Care (subject to weekly charge)	Day Care (subject to weekly charge)	Direct Payments	Residential Care Long Term /Temp Elderly	Residential Care Short Term/ Respite (weekly charge applies)	Telecare/ Lifeline	Other
Flintshire	£16.14 an hour	£21 a day	N/a	Residential / Very dependent = £526.87 Elderly mentally ill (EMI) residential = £547.33	Maximum weekly charge applied for Non-Residential Care Services Maximum wee		Meals = £3.15 Project/Support work: £16.14 an hour
Newport	£14 per hour	LD = £75 MH/OP = £56	Based on actual costs	Residential = £550 EMI= £605	Based on actual cost	Based on actual costs	Meals = £3.00
NPT	£14 per hour	£28 per attendance Other LA Day Care £39– elderly (£51 with transport) £72 –people with LD	Value of Direct Payment	Gwalia: £547 existing £675.63 new other providers £538	£70 per night	£2.50/ week fixed rate	Meals = £4.50
Pembs	Just finished consultation on charges, review underway and expecting to go back to Cabinet for final decision.						

All figures shown in the following table are social services charges as agreed and applied by these Councils in 2017/18, unless stated otherwise.

Local Authority	Home Care (subject to weekly charge)	Day Care (subject to weekly charge)	Direct Payments	Residential Care Long Term /Temp Elderly	Residential Care Short Term/ Respite (weekly charge applies)	Telecare/ Lifeline	Other
Powys	£20.50 per hour	£15 per day No charge transport	N/a	N/a	£70 per week per single episode of care	£2 per week	Meals at day centre = £7.50
RCT	Maximum weekly charge, with additional 5% disregard	Maximum weekly charge, with additional 5% disregard		N/a	N/a	Disregard applied to AT if part of assessed need	Meals =
Torfaen	Up to £15.20 per hour	Ty Nant Du £92.20 per day Block commissioning- day opportunities contract- no charge	Up to £15.20 per hour	Res = £534 Nursing = £623 EMI Res = £585 EMI Nursing £642	Max weekly charge applies	Installation £62.40 flat rate Also £62.40 per year	Community Meals = £4.50 Supported Living up to £15.20/hour
Vale of Glamorgan	Maximum weekly charge applies Charges range from £13.00 per hour to £19.61 per hour	Maximum weekly charge applies: Costs Older People £60; Learning Disability £102; Physical Disability £57	N/a	Standard: £559.00 per week (2016/17) Dementia care = £618.00 (2016/17)	Maximum weekly charge applies	TeleV = £5.15 TeleV + = £8.59/ week	Meals = £4.75

All figures shown in the following table are social services charges as agreed and applied by these Councils in 2017/18, unless stated otherwise.

Local Authority	Home Care (subject to weekly charge)	Day Care (subject to weekly charge)	Direct Payments	Residential Care Long Term /Temp Elderly	Residential Care Short Term/ Respite (weekly charge applies)	Telecare/ Lifeline	Other
Wrexham	Max. weekly charge applies £16.13 per hour (day or night)	Max. weekly charge Day Opps: £24.00 per day, £12.00 per half day	N/a	N/a	Maximum weekly charge applied for Non-Residential Care Services	£4.00 /week over 52 weeks private tenant £3.69 over 48 weeks council tenants	Shared Lives £24.00 per session Project worker = £14.48 per hour

Appendix 1. Swansea Council List of Charges (to apply in 2018/19)

a) Residential care and support services

Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Long Term Residential Care – Older People per week			
Older Persons Care Homes	Means tested – up to the maximum standard charge as outlined in the categories below		Standards rate of elderly care, increases to reflect current market rates.
• Elderly care	– £521.22/£530.53	£557.05	Increase of 5% for Council run homes
• Nursing Care	– £537.54	– £569.79	Up by 6% to reflect current market rate for specialist care.
• Dementia Nursing Care	– £552.84	– £586.01	Up by 6%, as above
Long Term Residential Care – Adult per week			
• Learning Disability	– £1,459.69	All care and support placements are individually costed	
• Mental Health	– £800.18		
• Young Adults	– £1,302.56		
Short Term Residential Care – All Adults per week			
Short term residential care - up to 8 weeks (known as Respite care, reablement (from week 6 and up to week 8) or temporary short-term emergency or planned placement)	Means tested – maximum weekly charge	Means tested – maximum weekly charge	Restricted by legislation
Temporary residential care - up to 52 weeks, where placement is known to last more than 8 weeks from the onset/or from week 9 of a short term residential care placement	Means tested - up to £530.53	£557.05	Up by 5%

b) Non-residential, community-based care and support Services

Home Care			
Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Domiciliary or Home Care, including respite at home, supported living	£10.20	£15.00	Significant increase (47%, £4.80 per hour) to bring Swansea more in line with other Welsh LAs Charge to cover respite at home service
Day Services Older People			
Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Older Persons Day Services	No charge	£40 per day, up to the means tested – maximum weekly charge currently £70 per week to apply	New charge, subject to consultation- charge reflects average costs across range of day services
Day Services - Adults			
Adults/ Special Needs Day Services	No charge	– £50 /day	New Charge, subject to consultation – charge reflects average costs across range of specialist day services

c) Other Services

Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Telecare / Lifeline	£2.50/ week	£2.63	5% uplift
Meals (within community-based, day services)	£3.50 /day	£3.50 /day	Charge to remain same as new charges to day services are applied.
Court of Protection Deputyship	£745 application fee; £775 for first year management and £650	To remain the same, as dictated by the	These are fixed rate charges set by the national public

	per year thereafter, or 3.5% of the person's net assets- charge against assets if these are under £16,000; Other additional charges may apply: - £300 property management fee - £216 preparation and lodgement of an annual report	Office of the Public Guardian	guardianship framework, as remuneration for Local Authorities when acting as Court Deputy.
--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------	--------------------------------------------------------------------------------------------

The following national threshold figures for **2018/19** have recently been confirmed (Feb. 2018) by the Welsh Government Minister for Social Services, and when amended within The Care and Support (Charging) (Wales) Regulations 2015, they are to be used by the authority when carrying a financial assessment in accordance with this Council policy, and the Act 2014:

- **Threshold on Capital:**
Capital Limit applicable in residential care charging is to increase from £30,000 to £40,000 in 2018/19(the capital limit applicable in non-residential care charging is to remain as £24,000);
- **Maximum weekly charge for non-residential care charges**
Maximum Weekly Charge as applicable in non-residential charging is to increase from £70 to £80 per week;
- **Personal Allowance (Minimum Income Amount)** to people in residential care is to increase from £27.50 to £28.50 per week;

A Minimum Income Amount (MIA) is also set, during a financial assessment, for a person being provided with non-residential care and support

Please Note: Under this Charging Policy, any discretionary powers exercised by the Local Authority in respect of what services are charged for, exemptions, contributions or reimbursements are reviewed annually, alongside the list of charges.

Equality Impact Assessment (EIA) Report– 2017/18

This form should be completed for each Equality Impact Assessment on a new or existing function, a reduction or closure of service, any policy, procedure, strategy, plan or project which has been screened and found relevant to equality.

Please refer to the 'EIA Report Form Guidance' while completing this form. If you need further support please contact acesstoservices@swansea.gov.uk.

Where do you work?
Service Area: Social Services
Directorate: People

(a) This EIA is being completed for a...

Service/ Function <input type="checkbox"/>	Policy/ Procedure √	Project <input type="checkbox"/>	Strategy <input type="checkbox"/>	Plan <input type="checkbox"/>	Proposal √
------------------------------------------------------	-------------------------------	-----------------------------------------	------------------------------------------	--------------------------------------	-------------------

(b) Please name and describe here

This EIA covers the 5 main proposals arising from the Annual Review of Charges (Social Services) and set out within the revised Swansea Council's Charging Policy (Social Services).

- 1) A general uplift of 5-6% for all social services charges
- 2) Above inflation increase to home care charges is applied.
- 3) A charge for Day Services- Older People is introduced
- 4) A charge for Day Services- Adults/ Special Needs is introduced
- 5) A charge for respite at home is introduced and aligned with the charge for other forms of home care.

The Welsh Government sets out what can be charged for within guidance and regulations about charging for social services, under Parts 4 & 5 of the Act:

[Part-4-and-5-code-of-practice-charging-and-financial-assessment](#)

The Council has its own charging policy for social services:

[Swansea Staffnet - Social Services Charging Policy](#)

(c) It was initially screened for relevance to Equality and Diversity on:
November 2017.

(d) It was found to be relevant to...

Children/young people (0-18)	☒	Sexual orientation	☒
Older people (50+).....	☒	Gender reassignment	☒
Any other age group	☒	Welsh language	☒
Disability	☒	Poverty/social exclusion.....	☒
Race (including refugees).....	☒	Carers (including young carers).....	☒
Asylum seekers	☒	Community cohesion	☒
Gypsies & Travellers.....	☒	Marriage & civil partnership	☒
Religion or (non-)belief	☒	Pregnancy and maternity	☒
Sex.....	☒		

(e) Lead Officer

(f) Approved by Head of Service

Name: Simon Jones

Job title: Strategic Performance & Improvement Officer

Date: 06/02/2018

Name: David Howes,
Chief Social Services Officer

Date: 06/02/2018

Section 1 – Aims (See guidance):

Briefly describe the aims of the initiative:

What are the aims?

Swansea Council's Charging Policy seeks to implement the Welsh Government policy on social care provision as set out in the Social Services and Well-being (Wales) Act 2015, and the national charging framework, and to make these arrangements fully transparent to citizens and up to date.

The annual review of the list of charges (social services), including any revisions to Council's charging policy, is undertaken on behalf the Chief Social Services Officer.

The annual review leads to an updated List of Charges (Social Services) to be applied in the coming financial year (2018/19).

The annual review compares Swansea's charges against other Welsh Local Authorities, and considers the current pressures faced by social services.

Social Services is facing unprecedented challenges in terms of the numbers of people who need to access our services and the increasing costs of providing them.

With an ageing population and better and earlier diagnosis and treatment of long-term complex conditions such as learning disabilities and physical disabilities, people are living for longer with more complex needs. This trend increases the number of people who at some point in their lives might need some form of formal support.

Whilst the budget for Social Services has decreased slightly over the years, the costs particularly in the independent sector have increased significantly due to the key pressures linked to the costs of for example paying the national living wage, increased national insurance and pension contributions.

The increase in people needing support and the costs of providing it will continue to increase, so we need to get smarter in terms of how we support people. In line with the Social Services and Well-being Act, we need to encourage people to be as independent and self-supporting as possible so we can concentrate our services on those who really need them.

All of these factors are included in the annual review of charges.

The main proposals will impact on the following social care services

Domiciliary or Home Care: Social Services is committed to helping people to continue to live in their own homes for as long as possible. One of the main ways this is done is by providing a home care service (also known as domiciliary care). Home care provides practical help and support in carrying out personal or household tasks that enable people to continue to live at home. In most cases, this service is offered to people who would otherwise have to leave their own homes and live in residential care.

Respite Care at Home: Sometimes people who usually receive social care services in their own home may require short-term respite care at their home or in a residential care home perhaps to provide a break for a family member who helps to look after them. The person needing care has alternative support for anything from a couple of hours up to a few weeks. These can be arranged regular or planned breaks, one-off breaks, or even at short notice to cope with an unexpected situation. These short breaks have traditionally been called respite and usually involved the cared-for person spending time in residential care. However there are also more flexible ways of accessing a break from caring that is right for families.

Day Services: a range of day services are available within Swansea to meet the needs of older

people and adults with special needs. These services provide a range of personal care and social activities which help maintain people's independence and enables them to remain safe and supported. For many years Swansea Council has provided social services day services for free whereas the vast majority of Welsh councils have been charging for them. These proposals aim to bring Swansea into line with some of them but the charges remain below those set by many others.

Who has responsibility?

Chief Social Services Officer

Who are the stakeholders?

There are many stakeholders and people who could be impacted by the changes.

- Citizens of Swansea.
- Current and potential service users, carers, families and people who are self-funding their care and support.
- Elected members, and client representatives/ advocates.
- Service providers, internal and commissioned, and partner organisations.
- Social Services workforce, particularly Adult Services.
- Adult Day Services covered by this proposal (new charge):
 - All Day Services for younger adults:
Abergelli - Birchgrove - Fforestfach (Toronto Place, Gorseinon Project and Ty Lafant) - Glandwr - Maesglas - Parkway - CREST, Cwmbwrla - Trewarren - West Cross - Whitethorns, New Horizons, Work Development and Flexible Support Social Clubs
 - All Day Services for older people:
Abergelli - Rose Cross - Hollies - Norton Lodge - St Johns - Ty Waunarlwydd - Llys y Werin - Ty Conway
 - Other day services included:
New Horizons, Work Development and Flexible Support Social Clubs
- Also Council's corporate and financial services, including Social Care Income and Finance Team who carry out financial assessments on all people to whom charges may apply, and Corporate complaints team

Section 2 - Information about Service Users (See guidance):

Please tick what information you have information on, in terms of service users:

Children/young people (0-18).....	<input type="checkbox"/>	Sexual orientation	<input type="checkbox"/>
Older people (50+)	<input checked="" type="checkbox"/>	Gender reassignment	<input type="checkbox"/>
Any other age group	<input checked="" type="checkbox"/>	Welsh language	<input type="checkbox"/>
Disability	<input checked="" type="checkbox"/>	Poverty/social exclusion.....	<input checked="" type="checkbox"/>
Race (including refugees)	<input type="checkbox"/>	Carers (including young carers).....	<input checked="" type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	Community cohesion	<input type="checkbox"/>
Gypsies & Travellers	<input type="checkbox"/>	Marriage & civil partnership	<input type="checkbox"/>
Religion or (non-)belief	<input type="checkbox"/>	Pregnancy and maternity	<input type="checkbox"/>
Sex	<input type="checkbox"/>		

Please provide a snapshot of the information you hold in relation to the protected groups above:

We deal with our users on an individual basis in order to meet the needs of the user. Personal information is gathered on current services, with the person's consent, during a social care assessment of an individual needs, as carried out under Part 3 of the Social Services and Well-being (Wales) Act 2014 ("The Act"). This social care assessment will cover protected characteristics of the local population who have approached the Council for social care and support. As such rather than focusing on the overall population, we focus on each individual in their own right

Since April 2016, the Council's statutory duties relating to the provision of social care are set out in the Social Services and Well-being (Wales) Act 2014.

In relation to information around service users Local Authority has a duty to offer an assessment to any adult where it appears to that authority the adult may have needs for care and support, and to carers who may have need for support to achieve wellbeing, in their own right.

After the completion of a social care assessment, based on analysis of the findings, the local authority will decide whether or not it should provide or arrange social care services for you, through a care and support plan. The authority uses a national eligibility framework to make any decision on how needs are best met, and following a carers assessment can also need to decide if they have eligible support needs which need to be met.

A financial assessment has to be offered where a charge may applies for services to meet an assted need through a care and support plan.

Individual information is considered as part of the social care assessment for users, the agreed care and support plans and the financial assessment for charging.

Where a person is lacking capacity to fully understand the charges, they may still be assessed as being able to contribute towards the cost of their care and support. However, a local authority must put in place policies regarding how they communicate charges, how they carry out financial assessment and how they apply charges in practice.

Under Part 2 of the Act, Swansea has to gather and analyse local population data on target population groups, which informs the population assessment, which underpins the development of a regional, Western Bay Area Plan for Health and Social Care (draft in preparation for public consultation). Also similar population data has helped to inform the

development of the Swansea Wellbeing Plan (draft under public consultation).

A regional population assessment is carried out every five years to highlight a number of **key** support and care needs and unmet needs, the majority of which are cross-cutting across target population groups, as follows:

- Increasing levels of need for people with complex needs, chronic and long term conditions
- Accessibility of services, including transport
- Preventative and support services within communities
- Loneliness and social isolation for improved health and wellbeing
- Information, advice and assistance
- Assistive technology and telecare provision for people to maintain independence
- Growing demand, diminishing resources
- Transition between adult's services and children's services
- Preventative (low level) and specialist mental health services for children and young people and adults (this section identified the highest number of support and care needs)
- Appropriate accommodation solutions for wide range of citizens with needs
- Supporting growing number of carers and young carers

All of the above, support the need for a sustainable model of social care to be delivered locally in response to changing needs

Any Actions Required e.g. to fill in information gaps?

- To continue to assess people' individual needs and financial circumstances in line with the statutory framework as outlined above.
- That each assessment continues to consider individual personal protected characteristic, and this information is taken into account during these assessments, and any decisions taken.

Section 3 - Impact on Protected Characteristics (See guidance):

Please consider the possible impact on the different protected characteristics. This could be based on service user information, data, consultation and research or professional experience (e.g. comments and complaints).

	Positive	Negative	Neutral	Needs further investigation
Children/young people (0-18)	→ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Older people (50+)	→ <input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Any other age group	→ <input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disability	→ <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Race (including refugees)	→ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Asylum seekers	→ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers	→ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or (non-)belief	→ <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

Thinking about your answers above, please explain in detail why this is the case.

The impacts to each of the different protected characteristic will be fully considered in each individual circumstance. If the new charges are agreed, each individual will have to undertake a financial assessment. The assessment will fully consider the social care assessment which contains an individual's personal profile details.

As the assessment are unable to be carried out prior to the introduction of a new/increased charge, the full impact can't be assessment until after implementation.

However the consultation responses show some potential impacts such as:

- Impact on people receiving benefits or with low income
- Impact on carers, and their relationship with cared for person
- As a disincentive to people accessing social care services
- Impact on the most vulnerable people/ target population groups such as older people, people with mental health needs, people with learning disabilities, people with physical disabilities, people with sensory impairments, people with complex health needs/ chronic conditions, young people reaching a transition to adult social services

Trends in people accessing services and the target population groups are monitored as part of the population needs assessment.

Clearly one of the main areas of feedback to the charging proposals has been that the greatest impact will fall on those people who are most economically challenged and carers, and therefore we have identified this in the table above.

In Swansea, the Council defines poverty as:

- Income below the Minimum Income Standard.
- Inadequate access to necessary services of good quality.
- Inadequate opportunity or resource to join in with social, cultural, leisure and decision making activities. Taken from:

Working towards prosperity for all in Swansea: A tackling poverty strategy for Swansea 2017-2020 - 'Our definition is not one relating solely to income, but to poverty of opportunity, participation and access to services.' p3

The Welsh Government's national charging framework has taken steps to ensure that the person's income levels are protected, and these arrangements were subject to their own EIA.

In applying the national framework on charging, local authorities must leave a person who is being charged with regard to a minimum income allowance.

This is defined within the Code of Practice for Parts 4 & 5 of the Act, as referred to above.

Section 4 - Engagement Please consider all of your engagement activities here, e.g. participation, consultation, involvement, co-productive approaches, etc.

What engagement has been undertaken to support your view? How did you ensure this was accessible to all?

What consultation and engagement has been undertaken (e.g. with the public and/or

members of protected groups) to support your view? Please provide details below.

The Council's budget consultation period was open for six weeks between 15th Dec. 2017 up to 2nd February 2018. Within the period the following activities took place

- Council opened up a budget consultation survey on the public website and paper copies of the survey were made available in public libraries and buildings.
- A letter from Chief Social Services Officer was given to services users attending day services, informing them about the budget proposals and the consultation on new charges, together with directions for the internet survey (approx. 960 service users)
- Hard copies of the letter, the consultation survey and answers to a set of Frequently Asked Questions were also provided to service managers and service users/carers on request.
- Day Services managers and staff were briefed to support service users in how to complete the consultation survey. Some information sharing events were also held in day services involving service users and carers, on request from the service.
- Social Services also identified those citizens who are most likely to be impacted by all of the proposed changes e.g. people who have received a financial assessment (open case), and a letter on behalf of the Chief Social Services Officer (approx. 2920 households).
- A small number of people receiving direct payments in lieu of day services who may not have received a financial assessment were also sent letters (approx.. 7 people)
- Some calls and letters were received and responded to by lead officers directly, though people were supported and asked to complete a survey response
- The responses received as part of the survey, which was closed on 2nd February 2018, and through consultation events held in services, though results are still to be fully collated, analysed and summarised.

In addition the corporate budget survey, the following informal consultation events/activities have taken place:

- LLys y Werin day service- two discussion groups held with service users, staff
- St Phillips flexible support day service: two discussion groups help with service users and carers
- Link social group (Tuesday evening) discussion group with service users and carers
- 3 meetings with day service managers to inform them about proposals and to brief them on supporting service users to complete budget survey
- Meeting held with each of the external day service providers: Swansea Carers Centre (Ty Arthur) and Gwalia (LlysyWerin)

Around 100 people attended the above events

Presentation and public questions were taken at Scrutiny Performance Panel – Adult Services, held on Tuesday, 16 January 2018 3.30 pm.

Support was provided to help people understand the consultation questions and what was expected to enable them to fully take part in the budget consultation survey.

What did your engagement activities tell you? What feedback have you received?

In terms of the specific charging proposals the following feedback was received:

2018 Council's Budget Survey Question/ results of responses received (%)	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
As part of our annual review we are proposing a general uplift of 5-6% for all charges to	11.8	32.7	18.7	36.8

reflect inflationary pressures				
Introduce a new charge of £40 per day for the Older persons Day Services	9.1	18.7	24.1	48.1
Introduce a new charge of £50 per day for the Adults/Special Needs Day Services	8.8	16.6	24.2	50.4
Increase the charge for domiciliary care services, £15 per hour 2018/19, £17 per hour 2019/20, £19 per hour 2020/21	10.2	30.2	21.6	38.0
Introduce a charge for the respite at home service, £15 per hour 2018/19, £17 per hour 2019/20, £19 per hour 2020/21	10.7	29.5	19.9	39.8

- i) A general uplift of 5-6% for all charges to reflect inflationary pressures
59.6% of people who responded to the survey disagreed, or strongly disagreed with this proposal
Comments range from people accepting increasing costs of home care, and the need to pay decent wages, to other stating that what amounts to a 50% increase is outrageous.
- ii) Day Services - Older People's (new charge)
72.2% of people who responded disagreed or strongly disagreed with this proposal
Comments include that day services are vital and how much people look forward to attending but that the charge per day is too high.
- iii) Day Services -Adults with special needs day services (new charge)
74.6% of people who responded disagreed or strongly disagreed with this proposal
There has been strong comments from carers and service users on this proposal, which will impacts on a range of target population groups, and vulnerable adults: Mental Health, Learning Disability, Physical Disabilities, Sensory Impairment and Carers. These groups are also the most economically challenged, or marginalised. A number of parent/ carers have said they will pull the cared for person out of the service rather than pay a charge or allow them to be the subject of a financial assessment.
- iv) Respite at home service (new charge)
59.7% of people who responded disagreed or strongly disagreed with this proposal
Comments include by offering more support to those family carers that do the care, such as an hour or 2 respite, can help enable them to continue to provide long term personal care/meal provision, being proactive in preventing residential care admissions or hospital stays.

The survey also posed two additional questions, and invited responses:

- Please provide us with additional views on any of the above proposals:
- Do you have any other suggestions about how we could do things differently for Social Care Service?

A full list of the responses is being made available to Cabinet to support their consideration of the Annual Review of Charging (social services), on 15th February 2018.

Samples of feedback received:

Complaint received from carer (using comments related to charges only)

1. My son is disabled and has day service provision on the work development scheme. His placement is at the baler plant where he dismantles furniture and mattresses for recycling.

Obviously we are concerned about the recent proposals regarding paying for day service that the Council intend to introduce..... Most of the Service Users are unable to gain conventional employment and are claiming PIP / DLA, therefore they do not have the means to pay. How will this means tested scheme apply? When will it be introduced? Will our service provision be reduced? Does it include Respite charges? I take and collect my son but others cannot- will their transport be affected? Will the provision be improved/be more flexible? My Sons provision ends at 2.20pm, would this be extended? Can Direct Payments be used to access Day Service?

2. Community Mental Health Social Work teams have written to the Chief Social Services Officer to express collective concern around introducing charges for CREST day services. That it may discourage people from attending vital services to improve their mental health and well-being. Many of the clients are already experiencing severe financial hardship. Although clients on section 117 of the Mental Health Act 1983 are unaffected by charges, many clients are voluntary. That charges will place an increased burden on 3rd sector and voluntary services and lead to the closure of CREST.

How have you changed your initiative as a result?

There are no changes in the proposals at this stage, pending Cabinet decision. However further work is to be undertaken to look at the costs and charging for low cost day services and work placement schemes.

Any actions required (e.g. further engagement activities, mitigation to address any adverse impact, etc.):

All service users are considered eligible for a charge, subject to financial assessment of their means to pay.

In Wales, under the Act, there is a maximum weekly charge for homecare and other non-residential, community based, social care services.

The current maximum charge from 10 April 2017 is £70 per week, and this is also reviewed annually by the Welsh Government.

This had been in operation for a number of years already and is the Social Services and Well-being (Wales) Act 2014, is now part of financial assessment and charging statutory guidance.

The Parts 4 & 5 Code of Practice guidance advises Local Authorities that:

- "because a person who receives care and support outside a care home will need to pay their daily living costs such as rent, food and utilities, the charging framework seeks to ensure they have enough money to meet these costs".
- "As a result after charging local authorities must leave a person who is being charged with a minimum income amount".

Where a person is lacking capacity to fully understand the charges, they may still be assessed as being able to contribute towards the cost of their care and support. However, a local authority must put in place policies regarding how they communicate charges, how they carry out financial assessment and how they apply charges in practice.

Clearly there are some significant impacts arising from increasing the chargeable amounts listed in the revised Council's charging policy (social services), and in applying new charges

for day services. People who are eligible to be charged are already protected by three important policy entitlements:

- there are personal thresholds set by the Welsh Government: namely a maximum weekly charge to be set at £70 per week (2017/18)
- National statutory guidance requires that each person is offered a financial assessment of their means, in relation to ability to contribute to the charges for the care and support they require
- There are clear principles, in policy, that a person's ability to pay should not precluding access to care and support or that the charges for care and support should not exceed the costs of provision.
- Carers may also impacted by increases to charges and new charges, as this could reduce the household income and increase the costs of receiving social care, in respect of the carer for person.

If a service user declines to receive a service to meet their needs because of the imposition of new charges, then the care and support plan will still have to address their needs, with their agreement. Alternative care and support arrangements may be sought out in this situation, including the offer of direct payments, carers support services or other local support arrangements.

Actions proposed:

- The offer of a direct payment can help address care and support needs, and the Council also needs to review cases where there is take up of day services using direct payments
- Support to carers, and improve offer of carers assessment

Section 5 Other Impacts:

Please consider how the initiative might address the following issues- see the specific Section 5 Guidance.

Foster good relations between different groups	Advance equality of opportunity between different groups
Elimination of discrimination, harassment and victimisation	Reduction of social exclusion and poverty

Please explain any possible impact on each of the above.

Foster relations between different groups- the services affected will still be available and offered to individuals with protected characteristics with an assessed and eligible need for managed care and support, or carer with support needs.

Advance equality of opportunity between different groups

Principles of equality and diversity run through all social services practice in carrying out assessments and providing support to people in need, and these are reflected within the Council's charging policy and arrangements.

Elimination of discrimination, harassment and victimisation

All social services, and council employees have a duty to safeguard and protect service users and vulnerable people. Any occurrence of discrimination, harassment and victimisation with a detrimental impact on

Reduction of social exclusion and poverty

It is the Council's intention to maintain vital social services to meet local population needs. It is recognised by Council that social services touch many people's lives and impacts on the most vulnerable in our communities. A fair and equitable financial assessment, supported by Council policy and robust arrangements, will help to protect those people who are both economically and socially vulnerable.

During the consultation, attention (letter from regional elected representative) was drawn to work recently undertaken by the National Assembly's Health and Social Care Committee which looked into the issue of loneliness and isolation among our elderly population, which showed clearly that Council-run Days Centres such as these play a key role in supporting that agenda. The evidence shows that keeping elderly people active, and ensuring that they have centres in which to meet, helps maintain their health, and essentially reduces the financial burden on health and social services.

What work have you already done to improve any of the above?

Working with providers to align the annual review of charges to the Council's fees setting process with local providers, and with the corporate budget setting processes.

Is the initiative likely to impact on Community Cohesion? Please provide details.

It is unlikely that the proposals for changes to the charging policy or charges as applied will, in themselves, impact community cohesion however the responses from carers to the proposals have been the strongest and clearest in opposing increased or new charges for adult social care.

How will the initiative meet the needs of Welsh speakers and learners?

None of the proposals that we are consulting on will affect access to services in an individual's preferred language, including Welsh.

Actions (to mitigate adverse impact or to address identified gaps in knowledge).

- Update and improve public information available on charging and financial assessment
- Translation of public information materials (fact sheets/ Information leaflets/ web pages) into Welsh, and other languages on request

Section 6 - United Nations Convention on the Rights of the Child (UNCRC):

Many initiatives have an indirect impact on children and you will need to consider whether the impact is positive or negative in relation to both children's rights and their best interests. Please read the UNCRC guidance before completing this section.

Will the initiative have any impact (direct or indirect) on children and young people? (think about this age group holistically e.g disabled children, those living in poverty or from BME communities)

If not, please briefly explain your answer and proceed to Section 7.

No charges apply to children or their parent / carers at this time. There may be a small number of young people who are experiencing transitional care and support arrangements towards receiving adult social services. The rights of young people who

may have been looked after or who may have disabilities are consider by a social workers as part of their transition plan, and the offer of advocacy is also an option. Each young person can expect their rights to be fully reflected in their care and support planning, and through the financial assessment process, as applied.

Is the initiative designed / planned in the best interests of children and young people? Please explain your answer.

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

Current arrangements are designed to ensure that children and young people are not charged for services, and this remains the Council's position until the age of 18 is reached.

Actions (to mitigate adverse impact or to address identified gaps in knowledge).

- Continue to the rights of young people who may have been looked after or who may have disabilities as part of their transition plan
- Each young person can expect their rights to be fully reflected in their care and support planning, and through the financial assessment process, as applied.

Section 7 - Monitoring arrangements:

Please explain the arrangements in place (or those which will be put in place) to monitor this initiative:

Monitoring arrangements:

Where there is a new charge applied, each individual who does not have a current financial assessment, will be offered as financial assessment, as stated in current Council policy.

Each individual financial assessment is subject to review annually, and where there are changes to individual circumstances or the services received.

Next annual review of charges to be completed by September 2018.

Actions:

Implement improvements to improve design of consultation process, e.g. linked to commissioning reviews and coproduction principles

Section 7 – Outcomes:

Having completed sections 1-5, please indicate which of the outcomes listed below applies to your initiative (refer to the guidance for further information on this section).

Outcome 1: Continue the initiative – no concern

Outcome 2: Adjust the initiative – low level of concern

Outcome 3: Justify the initiative – moderate level of concern

Outcome 4: Stop and refer the initiative – high level of concern.

For outcome 3, please provide the justification below:

For outcome 4, detail the next steps / areas of concern below and refer to your Head of Service / Director for further advice:

Working within the national charging framework and to bring Swansea in line with other Welsh Local Authorities in how charges are applied to citizens, The financial assessment process will ensure that people are treated equally and fairly within their individual circumstances. If they cannot afford to pay the charges then this will not preclude people from receiving social services.

Section 8 - Publication arrangements:

On completion, please follow this 3-step procedure:

- 1. Send this EIA report and action plan to the Access to Services Team for feedback and approval – accesstoservices@swansea.gov.uk**
- 2. Make any necessary amendments/additions.**
- 3. Provide the final version of this report to the team for publication, including email approval of the EIA from your Head of Service. The EIA will be published on the Council's website - this is a legal requirement.**

Action Plan:

Objective - What are we going to do and why?	Who will be responsible for seeing it is done?	When will it be done by?	Outcome - How will we know we have achieved our objective?	Progress
Future charging and funding of lower cost day services to be considered within commissioning reviews	Commissioning lead	Linked to commissioning review timescales	Future model linked to Optimal model in Adult Services	
Future charging and funding of Work Placement schemes, to be considered within commissioning review	Commissioning lead	Linked to commissioning review timescales	Future model linked to Optimal model in Adult Services	
Review Direct payments offer, and cases where take up of day services using direct payments	Principal Social Worker- Adult Services	End of 2018	Reviews completed	
Update and improve accessibility of public information on charging and financial assessments	TBA	End of 2018	Public accessing updated information via council website	
Support to carers, and improve offer of carers assessment	Principal Social Worker- Well-being, Prevention and Commissioning	End of 2018	Carers strategy-coproduced with carers	

Please remember to be 'SMART' when completing your action plan (Specific, Measurable, Attainable, Relevant, Timely)



Swansea Council

People Directorate

Social Services

Charging Policy (Social Services)

**- Paying for Social Services
under the Social Services &
Wellbeing (Wales) Act 2014**

**Issued on behalf of the
Chief Social Services Officer David Howes**

Version 2

Revised policy, to commence 1st April 2018.

Charging Policy (Social Services)

Contents

No.	Section	Page
1.	Introduction	4
2.	Legal Framework	5
3.	Charging and Financial Assessment explained and what services are covered	6
4.	What is a financial assessment	8
5.	Swansea Council's approach to charges	9
6.	Charges for Care and Support Services	11
7.	Working out how much a person will pay towards their care	14
8.	How a financial assessment is carried out	15
9.	Rights of Citizens	18
10.	Statement of Charges	18
11.	Uplifts to Charges	19
12.	Non-residential Care	19
13.	Residential Care (Long-term, Short-term (respite), Temporary residential)	22
14.	Self-Funders	22
15.	Child and Family Services	23
16.	Direct Payments	23
17.	Other Services	24
18.	Mental Capacity	25
19.	Deferred Payment Agreements (DPA)	26
20.	Reviews	27
Appendix 1	. List of Charges (following the annual review)	29

i) **Charging Policy Control Sheet****Version 2 –following policy review of charges undertaken in February 2018)**

Heading	Version response
<p>Title of Policy: It should be noted that Social Care charging is subject to new statutory guidance under Parts 4 & 5, of the Social Services and Wellbeing (Wales) Act.</p>	<p>Charging Policy (Social Services) - Paying for Social Services under the Social Services and Wellbeing (Wales) Act 2014, which came into effect 6th April 2016. This revised policy stands alone under this new statutory, legal framework for social care in Wales, and, though linked by shared principles, does not form part of the Corporate Charging and Fees policy.</p>
<p>Purpose of Policy:</p>	<p>To describe how Swansea Council will apply charges for Social Services under the Social Services and Wellbeing (Wales) Act 2014 (henceforth “the Act”) that comes into force from 6th April 2016.</p>
<p>Type of Policy:</p>	<p>This policy takes account of the new changes introduced by the Act, and subsequently regulations, codes of practice and guidance. The policy will be updated by the Council, annually or as necessary.</p>
<p>This policy replaces:</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fair Charging arrangements <input type="checkbox"/> Social Services policy on charging for non-residential services <input type="checkbox"/> CRAG regulations
<p>This policy does not cover:</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Care and Support Planning (Part 4) <input type="checkbox"/> Meeting Needs (Part 4) <input type="checkbox"/> Debt recovery (Part 5)
<p>Target Audience:</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Public- service users, parents, families and carers <input type="checkbox"/> Partner/ Provider organisations <input type="checkbox"/> Child and Family Services, Adult Services, <input type="checkbox"/> Corporate Finance, Legal, Revenue, Benefits and Procurement <input type="checkbox"/> Elected Members
<p>Author(s):</p>	<p>Simon Jones, on behalf of the Social Services Finance and Charging group</p>
<p>Lead Officer:</p>	<p>David Howes, Chief Social Services Officer</p>
<p>Date policy sign off:</p>	<p>Considered at CMT January 2018; Corporate Briefing on 1st February, 2018; To Cabinet February 2018.</p>
<p>Next Review Date:</p>	<p>By 31st March 2019</p>

Appendix 4

Consultation	National Consultation has taken place on the Act, Regulations and Code of Practice within Parts 4 & 5 of the Act. Consultation is not required at this stage, as the Policy consolidates existing arrangements. However, during the course of this financial year new charges may be proposed. If this is the case, public consultation may be required in due course.
Equalities Impact Assessment needed?	No. An EIA screening exercise has been undertaken and a full EIA is not required at this stage as there are no proposal to introduce charges for services that are not currently charged for. If there are introductions of new charges in the future, a full EIA may be required.
Date/ Version	10 th April 2016 / Draft v1 6 (correction in Appendix 1 table /external young adults following Corporate Briefing)

1. Introduction

1.1 The Social Services and Wellbeing (Wales) Act came into force on 6th April 2016. This changed the way social services are delivered in Wales, to meet the needs of the individual and to make services sustainable for the future.

The Act gives people a stronger voice and real control over the support they need to remove barriers to their wellbeing. It focusses on earlier intervention to prevent needs becoming critical, and promotes investment of resources in the short term, to give best value to the public purse overall.

The Act also promotes integration between the health and social care sectors to the greatest extent possible in order to achieve improved wellbeing outcomes.

Under the Social Services and Well-being (Wales) Act 2014 (SSWB Act), a local authority can only charge:

- up to the cost of providing the service
- what the person can afford.

1.2 This policy has been produced in accordance with the legal requirements set out in The Social Services and Well-being (Wales) Act 2014 (“**the Act**”) and sets out Swansea Council’s position on charging for social services.

It became effective from 6th April 2016 for all social services clients, with this Version 2 coming into effect from 1st April 2018.

1.3 The new legal framework is intended to cover both Adults and Child social services and requires that the Local Authority replaces the Fair Charging and CRAG regulations under one, single Charging Policy.

Swansea Council’s Charging Policy (Social Services) provides detail on:

Appendix 4

- i. Welsh Government's national charging framework
- ii. Our approach and the key principles behind the charges
- iii. How different types of services and support are charged/ not charged for
- iv. How changes will impact on community based service, residential care, direct payments, child and family services, respite care and other services
- v. How any discretion given to Local Authorities is applied in practice, including deferred payment agreements
- vi. Financial assessment processes, including reviews and appeals
- vii. List of charges that apply from 6th April 2016 (Appendix 1)

2. Legal Framework

2.1 The Social Services and Well-being (Wales) Act 2014, the regulations made under the Act and a code of practice issued by the Welsh Government together set out the requirements that local authorities must follow when determining whether to charge for care and support services and also when assessing the client's contribution towards those costs. For example:

- i. People with care and support needs may have a financial assessment to work out how much they must pay, whatever kind of help they receive
- ii. There is a maximum charge per week for non-residential care and support (including respite stays) and no-one will pay more than this for non-residential care and support
- iii. A person with assets exceeding the set capital threshold, will be liable to pay the full cost if they decide to live in a residential care home
- iv. People can still get 6 weeks of home care for free immediately following a stay in hospital
- v. Exemptions from charging where the services and support are provided under section 117 of the Mental Health Act 1983, and for people with Creutzfeldt-Jacob Disease who receive care and support.
- vi. No-one should be charged for information or advice
- vii. There may be a charge for helping people or carers to find and use certain services
- viii. Local councils must make sure everyone knows what they are being charged, and why (statement of charge)

2.2 Important Links to Act:

- i. **The Care and Support (Direct Payments) (Wales) Regulations 2015**
http://www.legislation.gov.uk/wsi/2015/1815/pdfs/wsi_20151815_mi.pdf
- ii. **The Care and Support (Charging) (Wales) Regulations 2015**
http://www.legislation.gov.uk/wsi/2015/1842/pdfs/wsi_20151842_mi.pdf

Appendix 4

- iii. **The Care and Support (Financial Assessment) (Wales) Regulations 2015**
http://www.legislation.gov.uk/wsi/2015/1844/pdfs/wsi_20151844_mi.pdf
- iv. **The Care and Support (Deferred Payment) (Wales) Regulations 2015**
http://www.legislation.gov.uk/wsi/2015/1841/pdfs/wsi_20151841_mi.pdf
- v. **The Care and Support (Review of Charging Decisions and Determinations) (Wales) Regulations 2015**
http://www.legislation.gov.uk/wsi/2015/1842/pdfs/wsi_20151842_mi.pdf
- vi. **The Care and Support (Choice of Accommodation)(Wales) Regulations 20** <http://www.legislation.gov.uk/wsi/2015/1840/made>

These regulations have been made, and came into force on 6 April 2016.

- vii. **Parts 4 and 5 Code of Practice (Charging and Financial Assessment)**
<http://gov.wales/docs/phhs/publications/160106pt45en.pdf>

This code of practice was issued under parts 4 and 5 of the Act on 18 December 2015. This national framework also came into effect on 6 April 2016.

2.3 Summary of the national charging and financial assessment legislative framework.

- i. A single financial assessment framework covering both residential and non-residential care and support
- ii. Set information to be provided to a person before they are assessed, with 15 working days for person to provide information and documentation an authority requires.
- iii. Where a person is a short-term resident (i.e. a stay not exceeding eight weeks commonly known as respite care) in a care home, and a local authority uses its discretion to charge for this, it must undertake a financial assessment of a person's means to do this as if the person were receiving non-residential care and support, or receiving direct payments for non-residential care and support.
- iv. Income from a War Disablement Pension is disregarded.
- v. A requirement to provide a client with a significant amount of information **before** a financial assessment can be made.

Appendix 4

- vi. Statement of charge, contribution or reimbursement must be provided before the charge can be collected. A charge will apply from when the person first receives their care and support.
- vii. The ability to suspend a deferred payment agreement if the person's income exceeds their appropriate minimum guarantee.
- viii. The ability to charge interest and administration fees on the amount deferred to make agreements affordable for local authorities.
- ix. The process for reviewing charges and charging decisions for non-residential care is to be extended to residential care.

3. Charging and Financial Assessment Explained

- 3.1 The intent behind the Social Services and Well-being (Wales) Act, Parts 4 and 5, is to introduce **one set** of financial assessment and charging arrangements, and to ensure greater transparency within these arrangements.

This policy follows Welsh Government guidance by ensuring that Swansea Council implements a single 'charging policy', which complies with the requirements of the Social Services and Wellbeing (Wales) Act 2014.

3.2 A Council's Discretion to Charge for social services

Under the Act, each local authority has the discretion to impose a charge, or set a contribution towards the costs of social care, or a reimbursement for direct payments. When doing so, the Authority must follow the requirements set out in the Act, Regulations and Code of Practice.

In imposing these charges a local authority cannot charge certain persons (exemptions) or for certain forms of care and support, and must apply certain financial 'limiters' to ensure the person is reasonably able to meet a charge, whilst retaining a certain amount of their income to meet daily living costs.

These 'limiters' or rules vary depending on whether the person is receiving residential or non-residential care and support, for example:

- i. A person is required to pay no more than a set weekly maximum amount for non-residential care and support.
- ii. A person is able to retain a certain amount of their capital assets which cannot be used towards care and support costs.
- iii. A local authority is now required to provide a statement of a charge, reimbursement or contribution agreed and for this to be revised as necessary.
- iv. A local authority can, in some circumstances, apply a flat rate charge for preventative services and 'assistance'.

3.3. For which care and support services can a local authority exercise its discretion to charge?

- a) Care and Support may include one or more of a range of services, including:
 - i. Assistance (Part 2, of The Act: Information, Advice and Assistance)
 - ii. Re-ablement - improving daily living skills following a stay in hospital or period of illness
 - iii. Non-residential Care (Home Care/ Domiciliary Care)
 - iv. Residential Respite Care or Short Breaks
 - v. Residential Care
 - vi. Day Care, whether the person attends a day centre or other day-time activities
 - vii. Flexible Support/ Family Support
 - viii. Community equipment and minor adaptations
 - ix. Life Lines and other Telecare equipment and services
 - x. Supported living arrangements
 - xi. Transport
 - xii. Community based Respite
 - xiii. Jointly funded services

- b) Also care and support may be meeting needs within:
 - i. Child and Family Services (Section 14 of this policy)
 - ii. Direct Payments (Section 15 of this policy)
 - iii. Support to carers (Section 16 of this policy)
 - iv. Preventative Services (Section 16 of this policy)
 - v. Secure Estates (Section 16 of this policy)
 - vi. Appointeeship (Section 16 of this policy)

General public information on charging will be made available to citizens, their carers or advocates during the assessment process to ensure they are aware that we charge for social care services and what that means for them.

4. What is a Financial Assessment?

- 4.1 The Regulations (See point 2.2) set out a series of requirements that a local authority must take into account when undertaking a financial assessment of a person's ability to pay a charge, or when setting a contribution towards their social care costs or reimbursement for a person receiving direct payments.

- 4.2 The Regulations specify the information that the Authority must provide to a person before undertaking a financial assessment, the timescale for a local authority to request and obtain information from a person, and the processes to follow.

- 4.3 The Regulations also set out the circumstances where there is no duty to carry out a financial assessment (Exemptions). These Regulations also contain instructions on the treatment and calculation of income and capital. Separate schedules identify specific forms of capital assets, forms of income and stipulate how each should be treated in a person's financial assessment.

Appendix 4

4.4 Once a financial assessment has been carried out, a statement of the assessed charge will be sent to the client (or their financial representative).

4.5 Discretion to apply locally-determined criteria for financial assessments. Local Authorities must decide what allowances, disregards or other aspects they wish to incorporate within the financial assessments they undertake beyond those required by legislation.

Any discretionary allowances say for reasons of hardship can only take place *with the written agreement of the Head of Adult Services or Chief Social Services Officer*, and this agreement is then clearly stated within the financial assessment and care and support plan.

If a decision to award allowance is granted by the Head of Adult Services, then this award decision should continue until the care and support plan is reviewed or a new financial assessment takes place.

Under this Charging Policy, the discretionary powers exercised by the Local Authority in respect of what services are charged for, exemptions, contributions or reimbursements are reviewed annually, alongside the list of charges (**Appendix 1 to this policy**).

5. Swansea Council's approach to charging

5.1 Swansea Council's approach to charging is that it should support corporate strategic priorities, to be sustainable in the longer-term, and that charging arrangements are applied equally e.g. all clients, with broadly the same assessed need for care and support, are treated equally, and therefore the same charges should apply subject to a financial assessment.

5.2 The Act allows for local authorities to act commercially and to raise income from charging. This is an important part of the range of options that help us manage our resources effectively. Charging can assist the Council in meeting rising local population needs with reducing resources.

As new models of service delivery are commissioned or provided that empower adults to have more control, supporting people to have greater independence, there may need to be a greater consideration of the full range of charges as set out in this policy.

5.3 Summary of the Charging Regulations under the Act

- i. **Section 59** provides a local authority with the discretion to impose a charge for the care and support, or the support to a carer, it provides or arranges under **sections 35 to 45** of the Act to meet a person's needs.
- ii. **Sections 60 to 62, 66 and 67** set out, or allow to be set out in regulations, how this discretion can be applied including that a determination to impose a charge should be on the basis of a financial assessment undertaken of a person's ability to pay a charge.

- iii. **Sections 63 to 65** allow regulations to be made governing financial assessments.
- iv. **Sections 50, 52 and 53(3)** permit regulations to be made which mirror these charging provisions in relation to contributions or reimbursements for direct payments.
- v. **Section 69** allows regulations to be made about charges for prevention services and assistance provided under **sections 15 and 17** of the Act respectively.

5.4 Swansea’s charging policy ensures that the Authority’s **discretionary powers** (highlighted in Tables 3 & 4 on pages 11 to 13) under the Act are applied fairly, and that all charges practices, such as undertaking a *financial assessment* or agreeing a *statement of charges*, are always aimed at reducing any discrepancies or anomalies for each individual’s care and support.

5.5 Swansea Council has determined to use its discretion whether to charge for care and support services it provides. The care and support services for which a charge will be made, and the level of those charges, are contained in Appendix 1 of this policy.

Table 1 - Swansea’s Key Principles

Key Principle	What each citizen expects	What Swansea Council expects
Continuity	I need time to plan for my future, and to find the resources that can meet my own care and support needs	We have a corporate charging policy which seeks to recover the full cost of services where this is legally permitted and appropriate. We will charge for social care services in accordance with the national charging framework (see Appendix 1) and maintain current charges where possible. Interest charges and administrative charges on Deferred Payment agreements in line with the regulations <i>are under consideration (see table 3)</i>
Fairness	I am paying a fair contribution to the cost of my care	We give individuals the right information about charging at the right time. We provide clear explanations of how we charge and what we charge for. We ensure individuals are given clear information about how their contributions have been calculated. We do not charge individuals more than they can afford to pay. We apply the charging rules fairly and transparently.
Equal	I understand that Swansea has a policy of fair charging	We will treat all people with dignity and respect recognising the value of each individual. Swansea is committed to eliminating all forms of
	that complies with national regulations and code of practice	discrimination on grounds of age, gender, disability, marriage or civil partnership, race, religion, beliefs, or sexual orientation. We are working towards Welsh Language standards, and the active offer to carry out services in Welsh. Public information can be requested in other formats which can be arranged on request.

Appendix 4

Transparency	I understand my statement of charges and how they have been calculated	We give clear and simple information about charging. We give clear information about financial assessment before and during the process. We give clear explanations about how an individual contribution has been calculated. We give clear information before and during a review.
Sustainable	I expect the Council to look towards the future, as I am considering my own care and support needs and financial situation	We ensure we make full use of the range of universal services, as well as preventative and early intervention services to meet a person's own well-being outcomes. We agree to a care and support plan that is appropriate and proportionate to meet the eligible assessed need for care and support within the resources we have available. We ensure that care and support plans are reviewed regularly, and within each year, to ensure appropriateness and effectiveness is achieved as well value for money.
Voice and Control	I expect to have voice and control over decisions on my care and support plan	Where someone lacks capacity to make a decision, we will work with an agreed representative, or offer an advocate where appropriate and will act in his or her best interests in line with Part 10 of the Act

6. Charges for care and support services

The Act and Regulations specify circumstances when the authority can and cannot charge for care and support services.

Swansea Council will not charge for services where it is either:

- i. Not permitted to do so by the new regulations or advised not to do so by the Welsh Government code of practice.
OR
- ii. Where it has chosen to exercise its discretionary powers not to do so after taking into account corporate strategic priorities and population wellbeing outcomes.

All directly provided or commissioned social services, whether community based or residential, will be subject to charging, unless specifically excluded by the Act and Regulations or by the authority using its discretionary powers not to charge.

6.1 The following table (Table 2) details charges that cannot be made, under the national charging framework

Table 2 - Charges that are not generally being applied by Councils in Wales.

Name of Service	Charged prior to April 2016	Chargeable under the Act/ Regulations	Charge to apply in 2018/19
Children's services	No	No	No
Care and support provided to a child.	No	No	No
Care and support provided to a child who is a carer	No	No	No
Intermediate Care / Reablement – First 6 weeks after leaving hospital	No	No	No
Social Work practice	No	No	No
Assessment of care and support needs, care and support planning or conducting a review of this plan, provision of care and support plans, provision of statements of a charge, undertaking a review of a determination of a charge or a charge itself	No	No	No
Carry out a financial assessment	No	No	No
Nursing forms of care	No	No	No
Independent Advocacy (provided under Part 10 of the Act)	No	No	No
Care and support provided to those with Creutzfeldt-Jacob Disease	No	No	No
After-care services/support provided under section 117 of the Mental Health Act 1983	No	No	No
Transport to a day centre where the transport is provided by the local authority as part of meeting a person's care and support needs	No	No	No

6.2 The following tables (Table 3 and Table 4) detail when the authority has made discretionary decisions to impose a charge / not to charge. For social care services

Table 3 - Swansea Council made a decision to impose a charge from April 2016.

Name of Service	Charged prior to April 2016	Chargeable under SSWB Act Yes/ No / Discretionary	Flat Rate/ Means Tested if applied	Charge to apply in 2018/19 Yes/ No
Residential care	Yes	Discretionary	Means tested	Yes
Home Care/ Domiciliary	Yes	Discretionary	Means tested Up to maximum charge	Yes
Respite (short term resident) and respite at home	Yes	Discretionary Up to 8 weeks / episode	Means tested Up to maximum charge	Yes
Day Services	No	Discretionary	Flat rate	Yes, subject to consultation
Flexible Support	No	Discretionary	Means Tested	Yes, subject to consultation
Temporary resident	Yes	Discretionary Up to 52 weeks	Means tested	Yes
Reablement – 7 th week onwards	Yes	Discretionary	Means tested (temporary residential care financial assessment)	Yes
Telecare	Yes	Discretionary	Flat rate	New charges to apply subject to business case
Lifelines	Yes	Discretionary	Flat rate	New charges to apply subject to business case

Table 4 –Swansea Council has decided not to impose a charge for the following services

Name of Service	Charged prior to April 2016	Chargeable under Act / Regulations Yes/ No / Discretionary	Flat Rate/ Means Tested if applied	Charge to apply in 2018/19 Yes/ No
Provision of Information and Advice	No	No	N/A	No
Assistance	No	Discretionary	Flat rate	No
Preventative Services	No	Discretionary	Flat rate	No
Night Time Care	No	Discretionary	Means tested	No
Carers	No	Discretionary	Means tested	No
Appointeeship	No	Discretionary	Flat rate with exemptions	Under Consideration
Transport <i>E.g. Transport costs for transport needs not included in a client's care plan</i>	No	Discretionary	Flat rate with exemptions	Under Consideration
Administrative Costs relating to Deferred Payments	No	Discretionary	Flat rate	Under Consideration
Direct Payments	No	Discretionary	Flat rate	No

Decisions to charge or not to charge under the authority's discretionary powers will be reviewed annually when setting the budget for the next financial year, or more regularly if required, and within corporate governance arrangements. These revised charges will, in normal circumstances, be applied at the start of the next financial year.

There may be circumstances, such as during 2016/17 as a transitional year under the Act, in which a new charge or change to the existing charge are required to take place during a financial year.

Any changes to charges will be subject to the normal processes of business case review, public consultation, and equalities impact assessment as require

7. Working out how much a person will pay towards their care

7.1 The overarching principle is that people who are asked to pay a charge must only be required to pay what they can afford. The Authority must take into account, when deciding whether to charge and in setting the level of any charge, contribution or reimbursement they require to be paid or made, the principles upon which this policy is based.

Appendix 4

People who require care and support will be entitled to financial support from the Council in certain circumstances based on their financial means and some will be entitled to care and support at no charge.

A list of Swansea Council social services charges is reviewed, and published annually.

<http://www.swansea.gov.uk/socialcare>

There are three charging categories for social services:

- i. Means tested charging following financial assessment
- ii. Flat-rate charges payable without a financial assessment;
- iii. Care and support provided free of charge (exempt from charging or where discretionary powers are exercised).

A financial assessment will be carried out for all care and support that is subject to means-tested charging, provided or arranged by the Authority.

To make a financial assessment, the authority will inevitably have to ask the person subject to the financial assessment to provide detailed information about their personal and financial circumstances and will allow 15 working days for them to do so.

The Council will consider and decide cases where a service user makes a reasonable request for an extension of time i.e. longer than 15 days, giving reasons why the extension of time is required and, if refused, will give the reasons for the refusal.

7.2 No requirement for a financial assessment

There are some circumstances where a Local Authority is not required to undertake a financial assessment. They include situations where:

- i) We charge a flat rate charge for particular care and support (including for preventative services and assistance (not currently charged for)) and as such, carrying out a financial assessment would be disproportionate to the charge levied.
- ii) The person fails or declines to provide information and/or documentation reasonably required to undertake the assessment. In such circumstances we can charge the service user up to the weekly maximum charge where it applies.

NB: where only partial information is received, we can charge on the basis of available information / documentation if we consider that we have sufficient information to do so.

- iii) The person is receiving care and support for which no charge can be made

8. How a financial assessment is carried out

8.1 A financial assessment will calculate how much, if anything, a person can afford to pay towards the cost of their care (or contribute towards their personal budget) on a weekly basis.

The financial assessment should only take into account the income and capital of the person being assessed. If any type of capital is jointly held (other than land), the capital will be treated as if an equal share is held i.e. 50%, unless the authority is satisfied a greater or lesser percentage of capital is held by the person being assessed.

i) Treatment of Capital

A person's capital is taken into account in the financial assessment unless it is subject to one of the disregards. Detailed information on the treatment and calculation of capital when making financial assessments is provided in:

- **Part 4 - Care and Support (Financial Assessment) (Wales) Regulations 2015**
- **Annex A - Parts 4 and 5 Code of Practice (Charging and Financial Assessment)**

ii) Treatment of Income

In assessing how much a person can afford to pay, the authority will take into account their income. In the main, income is treated the same, whether a person is in a care home or in receipt of care and support in the community.

However there are some differences between the two as to how income is treated.

Detailed information on the treatment and calculation of income when making financial assessments is provided in:

- **Part 3 - Care and Support (Financial Assessment) (Wales) Regulations 2015**
- **Annex B - Parts 4 and 5 Code of Practice (Charging and Financial Assessment)**

Some items to note:

- i. Income must be considered as net of any tax or national insurance.
- ii. The earnings of service users and their partners will be disregarded in the assessment of financial means.
- iii. Similarly the earnings of other household members whose income forms part of the assessment of financial means will also be disregarded.
- iv. Tax credits will be treated as income and will be disregarded in the assessment of financial means.
- v. Income from pensions will be taken into account in assessing service user's financial means.
- vi. Any benefits not specifically disregarded will be taken into account in determining a service user's financial means.

Appendix 4

vii. Partial disregards now apply to War Widows / War Widowers pensions and War Disablement pensions.

Where a service user or their representative advises the Authority of any expenses that can be disregarded as income, they will be required to provide reasonable documentary evidence of those expenses before they can be disregarded as income.

If no such evidence is provided, or the evidence provided is held to be not of a satisfactory standard by this Authority, the financial assessment will be made without disregarding the expense in question.

iii) Protected Minimum Income Amount (MIA) Threshold

Service users' contributions will be subject to a protected minimum income threshold, which is set at a level intended to safeguard their independence and social inclusion.

The calculation of the protected minimum income threshold is set out in the Regulations.

The value of the threshold is set out in List of Charges (Appendix 1 of this Policy).

8.2 Changes in Financial Circumstances

Where there is a change in a service user's financial circumstances, the service user or their representative is required to notify the Authority, so that their entitlement to financial assistance can be reassessed. Where a re-assessment changes the service user's contribution, the service user will be advised of the amended contribution to be payable from the new effective date in a revised Statement of Charges.

The effective date of the new charge will normally be the date on which the change in their circumstances occurred.

8.3 Changes in the Level of Service Provided

Where there is a change in the level of service provided, the charge for the services received may need to be reassessed.

Where a re-assessment changes the service user's contribution, the service user will be advised of the amended contribution to be payable from the new effective date in a revised Statement of Charges.

The effective date of the new charge will normally be the date on which the change in the service provision occurred.

9. Rights of citizens

This policy seeks to promote the independence and social inclusion of care and support recipients, citizens and carers.

As such due regard has been given to:

- United Nations Principles for Older Persons
- United Nations Convention on the Rights of the Child
- UN Convention on the Rights of Persons with Disabilities, as included within the Social Services and Well-being (Wales) Act 2014.

9.1 Accountability

In implementing this policy, the Swansea Council has put forward the legal context for this approach, our key principles for managing the changes and what is expected in terms of practice.

These charging arrangements are backed by clear lines of accountability and responsibility through the Council's corporate governance arrangements and within the social services and financial functions.

9.2 Empowerment

Each person can expect fairness, equal treatment and transparency in their journey through these charging arrangements, and where this is a human rights or mental capacity issue, they can expect to be offered access to advocacy services to help negotiate their way through to a satisfactory conclusion.

9.3 Welfare Benefits **Advice**

Swansea Council can provide access to appropriate welfare benefits advice, particularly to those who receive care and support to aid them in their understanding as to the benefits to which they may be entitled.. Access to specialist advice should be made available to carers of those who receive care when requested.

Information gathered as part of the Financial Assessment, can be shared with the Benefits Advice Team in order to provide welfare advice that would be beneficial to the service user.

10. Statement of Charges

10.1 The way people pay for care if they have the financial means to do so will now be uniform across Wales - there will be one set of assessment and charging arrangements for all adults who are required to pay for their care. This national charging framework will apply to both residential and non-residential care. There are a few discretionary areas available to local authorities and these are outlined in this local policy.

10.2 The Care and Support (Charging) (Wales) Regulations 2015 require a local authority that makes a determination about the amount which it is reasonably practicable

Appendix 4

for a person to pay for care and support and to provide a statement or letter setting out the calculation of the payment that must be made.

The regulations do not specify the exact content / format of the statement to be issued.

11. Uplifts to Charges

11.1 The Council has the flexibility to consider potential uplifts to charges on a regular basis, to take account of inflationary costs to expenditure services and where possible to operate on a full cost recovery basis.

11.2 The calculation of uplifts will as a consequence take account of amongst other things:

- Staffing costs
- Administrative costs
- Increases to rates
- Costs imposed on the Authority by external service providers.

11.3 Where appropriate a clear methodology will be used to determine uplifts, and where necessary an Equality Impact Assessment will be undertaken and public consultation as required.

12. Non-residential care

The term “**Non Residential Care**” applies to the following services:

- a) Community Based Services ie. Domiciliary / Home Care Services and Domiciliary Respite Care Services
- b) Day Care
- c) Telecare and Lifelines

Service Users who are in receipt of the services listed in points b) and/or c) in addition to the services mentioned in point a) will require a single financial assessment based on the total cost of all the services provided to determine if the person is entitled to assistance with the cost of the service.

If the services user is only receiving any of the services mentioned in b) and / or c), no financial assessment is required as flat rate charges apply.

Service Users who do not wish to take part in a financial assessment will be required to pay the full cost of the services provided, subject to a weekly maximum where applicable.

In 2011, Welsh Government announced a cap or **maximum weekly charge** on the amount councils can charge for non-residential care and support. Under section 59 of the Act, or under sections 50-53 of the Act in connection with direct payments, local authorities

Appendix 4

must not charge more than a weekly maximum charge to a person in receipt of non-residential care and support (the maximum amount is specified in Appendix 1).

The charge for care provided will be calculated as follows:

i) Community Based Services

The weekly assessed charge for Domiciliary Care is calculated by multiplying the actual hours of care by the agreed notional hourly rate. There will be no enhancement to the number of hours to reflect double manning, weekend work or out of hours visits. Likewise time spent travelling to and from a service user's home will be disregarded in arriving at the number of hours of care received. The notional hourly rate that will apply in any one year will be set by the Council.

The Hourly Rates are set out in Appendix 1 of this policy. Exceptionally, there may be a need to revise the rate during the year. The hourly rate will be no more than the full cost of the service, and will not necessarily reflect the actual cost to the Council of providing or commissioning domiciliary care services. This service is the subject of a commissioning review within the Sustainable Swansea –fit for the future programme. Any changes to charges would be considered as part of an annual review of charges.

Day services usually take place in a location other than a person's home, and as such are included as community based services. A timetable of attendance at a local authority day service for a part or whole day or number of days may be set out in the care and support plan agreed with the service user.

Following the annual review of charges in 2017, charges for day services provided to adults in Swansea are part of the Council's public budget proposals consultation, and the specific proposal is that charges are applied to people receiving day services for older people, and to day services for adults/ special needs, from 2018/19.

Day Services are part of the commissioning reviews undertaken as part of the Sustainable Swansea –fit for the future transformation programme, and in support of the Adult Services Optimal Model.

iii) Telecare and Lifelines

Telecare is a term used to describe a range of electronic, electrical and other devices which help to maintain an individual's independence, safety and health and wellbeing, usually, but not exclusively, within their own homes.

The most familiar example of this is the Lifeline Telephone used by many thousands of Swansea citizens to provide an immediate link to a continuously staffed call centre in an emergency.

This range of provision sometimes operates below the thresholds of current social care eligibility with a more preventative focus with a flat rate charge for lifelines to cover the costs of equipment, installation and call response.

Telecare for eligible people will continue to be subject to charging arrangements already in place.

13. Residential Care

For more detail refer to:

- **The Care and Support (Charging) (Wales) Regulations 2015** □ **Care and Support (Financial Assessment) (Wales) Regulations 2015**
- **Parts 4 and 5 Code of Practice (Charging and Financial Assessment)**
 - Chapter 9 Charging for care and support in a care home □ Annex D: Deferred Payment Agreements.

a) Long Term Residential Care

When a decision is taken to charge for residential care, as with all charging, a financial assessment is then undertaken. The Authority aims to support the person to identify options of how best to pay any charge. Where a decision is taken that a person has **long term** care and support needs which are best met within residential care, then property is taken into account within the financial assessment.

The main examples of capital considered are the value of property and savings a person holds.

A person's financial circumstances may lead to the offer of a deferred payment agreement (DPA) against the value of a property taken into account within the financial assessment. Deferred Payments are described in more detail in Annexe D of the code of practice.

The Act states that a local authority **must** ensure that the person has a genuine choice and must ensure that more than one option is available within its usual commissioning rate (standard rate) for a care home of the type a person has been assessed as requiring. However, a person **must** also be able to choose alternative options, including a more expensive home.

Where a home costs a local authority more than it would usually pay, a person **must** be able to be placed there if certain conditions are met and where a third party (or in certain circumstances the resident) is willing and able to pay the additional cost.

However, an additional cost payment **must** always be optional and never as a result of a shortfall in the funding a local authority is providing to a care home to meet a person's assessed care needs. Local authorities must follow the Care and Support (Choice of Accommodation) (Wales) Regulations 2015.

This service is the subject of a commissioning review within the Sustainable Swansea –fit for the future programme. Any changes to charges would be considered as part of an annual review of charges. **Commissioning (standard) rate is also subject to annual review, as with all charges.**

b) Short Term Residential Placements (commonly known as respite care) and Temporary Residential Placements

In each case the charge will be no more than the full cost of the service, and will not necessarily reflect the actual cost to the Council of providing or commissioning domiciliary respite services.

i) Short-term residential placements (Respite Care) are those which are generally up to 8 weeks only, and in practice is likely to be 1, 2 or in exceptions 3 or 4 weeks. Persons are now to be subject to the maximum weekly charge, for short-term placements, with a financial assessment. The guidance has taken into consideration that for a non-permanent resident, such an individual would still have outside daily living costs to meet (such as a mortgage) and a desire to support carers.

Where a person is a short-term resident in a care home (Respite Care) the local authority must undertake any financial assessment of a person's means as if the person were receiving non-residential care and support, or receiving direct payments for non-residential care and support.

ii) Community Based Respite Services (Domiciliary Care and Domiciliary Respite Services)

The weekly assessed charge for Domiciliary Care and Domiciliary Respite Services will be calculated by multiplying the *actual hours* of care by the agreed notional hourly rate. Persons are subject to the maximum weekly charge, with a financial assessment. The notional hourly rate that will apply in any one year will be agreed by the Council. The hourly rates are set out in Appendix 1 of this Policy.

iii) Temporary residential placements are those where the stay is for up to 52 weeks (or in exceptional circumstances is unlikely to substantially exceed 52 weeks) and therefore fees should be charged at the residential rate with a financial assessment. If it is known from the outset that a stay will exceed 8 weeks, this should be considered a temporary placement from the outset and not a short term (respite) period.

14. Self- Funders

Under Part 5 of the Social Services and Well-being (Wales) Act 2014, a local authority may impose a charge for providing or arranging the provision of care and support or support of citizens with the means to pay.

Swansea Council may incur administrative costs in recovering fees and charges for arranging for the provision of care and support for an adult whose financial resources are above the financial limit (often referred to as a "self-funder"), but who nonetheless asks the authority to meet his or her needs.

In such circumstances, the Council's approach will be to charge according to our financial policy of full cost recovery. The Council will also seek to recover any additional charges (these may referred to as a "brokerage charge" or "commissioning charge") to maintain and support a placement. Such charges will be backdated to the date on which the

Appendix 4

placement commences, or to the date when contact was made by the self-funder requesting the Council's assistance.

15. Child and Family Services

The Act prevents local authorities from charging a child for the care and support they receive, or for support provided to a child who is a carer.

While the Act contains a provision to allow a parent or guardian to be charged, the Regulations and code currently preclude this on the grounds that this provision was included in the Act to "future proof" it and not by a desire to introduce such charging at this time.

The Authority must not therefore charge for care and support to a child, or for support to a child who is a carer provided under Part 4 of the Act (Meeting needs), nor must authorities seek payment of a contribution or a reimbursement towards such costs when direct payments are being made to secure such care and support.

16. Direct Payments

See Care and Support (Direct Payments) (Wales) Regulations 2015

16.1 Under the Act it is expected that more people will be able to receive Direct Payments if preferred. This means citizens will be given the money to organise the care and support needed to meet their own agreed, well-being outcomes.

16.2 The most significant new provision of the Act is that it enables direct payments to be used to purchase care and support from the authority which made the payment as well as other providers. Also the Regulations allow direct payments to be used to cover residential care costs, for example short periods of reablement, or longer term periods.

16.3 Where direct payments are not made to the service user direct, additional conditions must be satisfied. For example, whether the payment can be used to pay relatives, where vetting is required or conditions on how the payment can be used.

16.4 In respect of direct payments, the Authority must decide whether to make net payments or gross payments. Prior to April 2016 the authority made net payments for Direct Payments and will continue to do so.

16.5 The weekly assessed charge for care and support facilitated by a Direct Payment will be calculated by multiplying the assessed hours of care set out in the care package by the agreed notional hourly rate for personal assistance. The notional hourly rate that will apply in any one year will be agreed by the Council.

16.6 Any determination of contribution towards a direct payment will be set out within the person's statement of charge.

16.7 Swansea Council will seek to protect public funds from fraud, misuse, or wilful mismanagement of money or assets, and will take action to recover any monies lost as a result of such activity.

17. Other Services

Local authorities have a duty to arrange care and support for those with eligible needs, and a power to meet non-eligible needs should it wish to do so. They also now have more discretionary powers, for example:

To impose charges in relation to care and support it provides or arranges (under section 59 of the Act) See section 6 of this policy.

i) Assistance or Preventative Services

Under the Act (section 69) a local authority has discretion to choose whether or not to charge for preventative services and assistance. At present Swansea Council does not charge for this range of services as they are an important driver in managing future demand and building up citizens, families and communities capacity to manage their own care and support.

See Section 6 of this policy

ii) Services to Carers

Swansea Council commissions a ranges to services to support carers and young carers. Carers are vital in maintaining care and support at home, promoting independence and well-being. At present Swansea does not charge for the provision of support to carers.

See Section 6 of this policy

iv) Secure Estates

The charging framework also applies to people who are detained in the secure estate. Whilst detainees have restricted access to paid employment and welfare benefits (and earnings are disregarded for the purposes of financial assessments), any capital assets, savings, income and pensions will need to be considered when undertaking a financial assessment as with any other person in receipt of care and support.

v) Appointeeship

A weekly administration charge can be made in future against the income and capital assets for some service users who receive support from Social Services to manage their financial affairs where they have been assessed as lacking the mental capacity to do so (*See Table 3*).

18. Mental Capacity

The charging policy takes into consideration the capacity of the person as well as any medical condition or impairment they might have.

Appendix 4

Where a person is assessed as lacking capacity to manage their own financial affairs they may still be assessed as being able to contribute towards the cost of their care and support.

Under the Act, the Authority is putting into place additional support to improve access to representation and advocacy, to enhance how they communicate, and participate in decisions, how they are involved in activities such as financial assessments and how they agree to any charges.

Swansea Council will work with the individual who has the legal authority to make financial decisions on behalf of the person who lacks capacity.

For example:

- a. Enduring or Lasting Power of Attorney (EPA or LPA);
- b. Department of Works and Pensions appointee;
- c. Court of Protection Deputy for property and affairs

If a person is found to lack the mental capacity to manage their financial affairs and there is no-one who has the legal authority to make financial decisions on their behalf, then an application as appointee or Court of Protection Deputy may be made by the Local Authority, if there is found to be no other suitable third party willing or able to act.

Where a person has mental capacity, they may still give their consent for another person to act as their financial representative. Where consent has been given, the Authority will work with the financial representative on matters concerning the person's (client's) financial affairs

19. Deferred Payment Agreements (DPA)

See Care and Support (Deferred Payment) (Wales) Regulations 2015 Also refer to Parts 4 & 5 Code of Practice Annex D.

The new regulations set out the conditions a person and their property must meet in order to be eligible for a deferred payment agreement, the level of a deferred payment a local authority can enter into and the arrangements regarding administration costs and interest which may be charged for setting up and operating a deferred payment agreement.

The Authority can under the regulations agree to enter into a deferred payment agreement where the person and their property meet certain conditions prescribed. Principally these are where a person has an eligible property but whose other forms of capital are under the level of the capital limit and they do not have sufficient income to meet their care costs in full.

A deferred payment agreement enables a local authority to meet the cost of a person's residential care in whole or part while placing a charge on their property as security against the deferment. As a property is not taken into account when undertaking a financial assessment for a charge for non-residential care and support, deferred payments are only applicable in relation to residential care. A property would be included as an asset within the financial assessment based upon a professional valuation of the current sale value (this value may be subject to future revaluation).

Appendix 4

The overall purpose of a deferred payment is to enable a person who enters a care home, and who has a property which has been taken into account in their financial assessment to set a charge for this, to exercise choice as to when or whether they sell their property to meet this charge. The aim of a deferred payment is to afford a person time to get their financial affairs in order, or time to arrange for the sale of their property where this is to occur, and to provide them flexibility as to when they sell the property.

Agreements can be for the duration of a person's stay in a care home, much shorter period as they wish, or until they decide to sell their property to pay for their residential care. The agreement may state the actual date of sale or disposal of the property, set a period such as **90 days** after the date of death of the person with whom the Authority has made the agreement, or such longer time as appropriate.

Before entering into a DPA, the Authority will provide a person with a statement of charges, which will include an estimate of the administrative charges required for setting up the agreement and for the whole period when the agreement remains in force. Please note that third party top up payments are not included in any current agreement with the Council

Termination of a Deferred Payment Arrangement- The person may terminate the agreement at any time prior to the specified time, by giving the Authority reasonable notice, in writing and paying any outstanding amounts.

20. Reviews

Parts 4 & 5 Code of Practice Annex E – Review of Charging Decisions and Determinations.

20.1 Section 73 of the Act requires the Authority to make provision for reviews of charging decisions and determinations made. The principles and requirements in place prior to April 2016 for reviews in relation to non-residential care determinations and charging decisions now apply to both residential and non-residential care determinations and charging decisions.

20.2 A person receiving care and support, either in the community or in a care home, has the right to request a review of a decision to impose a charge. Where a person feels an inappropriate decision has been made, either in the level of the charge, reimbursement or contribution or in relation to the basis upon which the decision to impose this was made, the person will be able to request the local authority to review the decision. This initial review should involve the authority itself reassessing the decision made and deciding whether its original decision was correct, particularly where further information was now available.

20.3 The review process is also extended for reviews of situations where a person has been deemed to be a liable transferee, having received an asset with the intention of avoiding or reducing charges for a person deemed to be liable for a charge. This process will provide a consistent review process for such decisions so that where a person wishes a determination in relation to charging, or the level of a charge, reviewed, they will be able to ask an authority to do this in a relatively straight forward way and in

Appendix 4

doing so, potentially obviate the need for a person to make a formal complaint to the authority.

20.4 We will operate a review process as set out in the Regulations and code of practice to enable reviews to be sought of a determination of a charge, contribution or reimbursement, or the level of these, or where a person has been deemed to be a liable transferee.

20.5 It is hoped the vast majority of these requests would be satisfactorily resolved through the review process. However, if a service user or their representative remains unhappy with the decision after it has been reviewed then they have the opportunity to follow the complaints procedure as detailed in The Social Services Complaints Procedure (Wales) Regulations 2014.

20.6 Welsh Government Guidance on these regulations (A guide to handling complaints and representations by local authority social services) advises that a complaint or representation may be made up to 12 months after the date on which the matter which is the subject of a complaint or representation occurred. Alternatively, if later, the date on which the matter which is the subject of the complaint or representation came to the notice of the complainant or the person making the representation. However, this time limit will not apply if the local authority is satisfied that there are good reasons for a complaint or representation not being made within the time limit and, despite the delay, it is still possible to investigate the complaint effectively and fairly.

Appendix 1. Swansea Council List of Charges (to apply in 2018/19)**a) Residential care and support services**

Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Long Term Residential Care – Older People per week			
Older Persons Care Homes	Means tested – up to the maximum standard charge as outlined in the categories below		Standards rate of elderly care, increases to reflect current market rates.
• Elderly care	– £521.22/£530.53	£557.05	Increase of 5% for Council run homes
• Nursing Care	– £537.54	– £569.79	Up by 6% to reflect current market rate for specialist care.
• Dementia Nursing Care	– £552.84	– £586.01	Up by 6%, as above
Long Term Residential Care – Adult per week			
• Learning Disability	– £1,459.69	All care and support placements are individually costed	
• Mental Health	– £800.18		
• Young Adults	– £1,302.56		
Short Term Residential Care – All Adults per week			
Short term residential care - up to 8 weeks (known as Respite care, reablement (from week 6 and up to week 8) or temporary short-term emergency or planned placement)	Means tested – maximum weekly charge	Means tested – maximum weekly charge	Restricted by legislation
Temporary residential care - up to 52 weeks, where placement is known to last more than 8 weeks from the onset/or from week 9 of a short term residential care placement	Means tested - up to £530.53	£557.05	Up by 5%

b) Non-residential, community-based care and support Services

Home Care			
Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Domiciliary or Home Care, including respite at home, supported living	£10.20	£15.00	Significant increase (47%, £4.80 per hour) to bring Swansea more in line with other Welsh LAs Charge to cover respite at home service
Day Services Older People			
Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Older Persons Day Services	No charge	£40 per day, up to the means tested – maximum weekly charge currently £70 per week to apply	New charge, subject to consultation- charge reflects average costs across range of day services
Day Services - Adults			
Adults/ Special Needs Day Services	No charge	– £50 /day	New Charge, subject to consultation – charge reflects average costs across range of specialist day services

c) Other Services

Charges for Services	Charges in 2017/18	Charges in 2018/19	% Increase/ Comment
Telecare / Lifeline	£2.50/ week	£2.63	5% uplift
Meals (within community-based, day services)	£3.50 /day	£3.50 /day	Charge to remain same as new charges to day services are applied.
Court of Protection Deputyship	£745 application fee; £775 for first year management and £650 per year thereafter, or 3.5% of the person's net assets- charge	To remain the same, as dictated by the Office of the Public Guardian	These are fixed rate charges set by the national public guardianship framework, as remuneration for

Appendix 4

	<p>against assets if these are under £16,000; Other additional charges may apply: - £300 property management fee - £216 preparation and lodgement of an annual report</p>		<p>Local Authorities when acting as Court Deputy.</p>
--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	-------------------------------------------------------

The following national threshold figures for **2018/19** have recently been confirmed (Feb. 2018) by the Welsh Government Minister for Social Services, and when amended within The Care and Support (Charging) (Wales) Regulations 2015, they are to be used by the authority when carrying a financial assessment in accordance with this Council policy, and the Act 2014:

- **Threshold on Capital:**

Capital Limit applicable in residential care charging is to increase from £30,000 to £40,000 in 2018/19 (the capital limit applicable in non-residential care charging is to remain as £24,000);

- **Maximum weekly charge for non-residential care charges**

Maximum Weekly Charge as applicable in non-residential charging is to increase from £70 to £80 per week;

- **Personal Allowance (Minimum Income Amount)** to people in residential care is to increase from £27.50 to £28.50 per week;

Minimum Income Amount (MIA) is also set, during a financial assessment, for a person being provided with non-residential care and support

Please Note: Under this Charging Policy, any discretionary powers exercised by the Local Authority in respect of what services are charged for, exemptions, contributions or reimbursements are reviewed annually, alongside the list of charges.



Report of the Section 151 Officer

Cabinet - 15 February 2018

Medium Term Financial Planning 2019/20 to 2021/22

Purpose:	This Report sets out the rationale and purpose of the Medium Term Financial Plan and details the major funding assumptions for the period and proposes a strategy to maintain a balanced budget.
Policy Framework:	Sustainable Swansea – Fit for the Future
Consultation:	Legal Services, Access to Services, Cabinet Members and Corporate Management Team
Recommendations:	It is recommended that:- 1) The Medium term Financial Plan 2019/20 to 2021/22 be recommended to Council as the basis for future service financial planning.
Report Author:	Ben Smith
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1. Introduction and Background

- 1.1 Service and financial planning continues to be undertaken against a backcloth of reducing overall financial resources and increasing service pressures and demand.

The Medium Term Financial Plan (MTFP) is an overarching strategy that:

- Covers 3 future years.
- Forecasts future known additional spending requirements, likely resources and potential funding shortfalls.
- Links to the Council's adopted strategy '**Sustainable Swansea – Fit for the Future**' as a means of addressing future budget shortfalls.
- Links to the Council's revised Corporate Plan, "Delivering for Swansea" and the delivery of our top 5 priorities.

- Has due regard to our duties under the Well-being of Future Generations Act 2015.

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

- 1.2 It is important to understand that the MTFP does not constitute a formal budget in respect of the period 2019/20 to 2021/22 and as such the indicative annual assumptions included both within the projected spending pressures detailed in Sections 2 and 3 of this report, and the potential funding detailed in Sections 4 and 5, will be subject to a full review and decision making process as part of each of the annual Revenue Budget and Council Tax setting decisions.
- 1.3 Instead, the MTFP is intended to outline, in broad terms, the specific service and funding issues over the three year period and how the Council will, within its financial constraints, fund its priorities and achieve major service change and savings.
- 1.4 It is essential as a planning and review tool in order to assess, on an ongoing basis, base assumptions around service pressures and progress against delivery of savings.
- 1.5 The plan serves to highlight the trend for increasingly difficult times ahead in terms of funding for this Council and Local Government in general, as well as the service pressures that the Council faces from rising demands and increases in demography, together with potential funding pressures arising from ambitious plans for capital development.
- 1.6 Importantly, it is essential that the MTFP becomes a 'living' document that is subject to regular review and revisions as more information becomes available and risks are updated. As such it is anticipated that, along with close monitoring of the specific budget proposals and savings targets for 2018/19, further reports to Cabinet regarding the MTFP will be made as necessary. In particular, the Mid Term Budget Statement in the Autumn of 2018 will provide a key update on the financial outlook and delivery of savings.
- 1.7 The MTFP is one of many documents that are produced in terms of financial planning and control. These include:-
 - The annual Revenue and Capital Budgets of the Authority
 - The annual HRA Capital and Revenue Budgets
 - The formal quarterly budget monitoring reports that are presented to Cabinet
 - The Mid-term Budget Statement intended to be produced each year as an aid to strategic review on progress
 - The Revenue and Capital Outturn Statements taken to Cabinet following year end

- The Statement of Accounts produced and approved by Council on an annual basis.

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

- Section 2 Overview of financial planning environment 2019/20 to 2021/22
- Section 3 Detailed spending and resources forecast 2019/20 to 2021/22
- Section 4 Strategy to address future savings requirements
- Section 5 A summary of the Medium Term Financial Plan and Sustainable Swansea strategy.
- Section 6 Medium Term Financial planning for Schools
- Section 7 Risks and issues surrounding the MTFP
- Section 8 An assessment of reserves
- Section 9 Legal and Equalities implications

2 Overview of Financial Planning Environment 2019/20 to 2021/22

2.1 The Medium Term Financial Plan (MTFP) report considered by Council on 23rd February 2017 included a service and financial overview. This was updated in terms of the Mid-Term Budget Statement verbal report given to Council in October 2017 and is updated further below.

Economic outlook and prospects for Public Finances

2.2 The announcement of both the provisional and final Revenue and Capital Settlements for 2018/19 has resulted in an overall postulated like for like cash increase of £2.3m. However, there is an increase of just £1.75m in block grant after allowing for the changes to social services capital limits for residential care. This needs to be set in the context of the forecast cost of the national living wage impact of £1.7m plus alone.

2.3 However, the current economic climate continues to be uncertain, and the Welsh Government stated in their draft budget document that this is one of the longest periods of sustained austerity in living memory. There is and will continue to be uncertainty over the UK's relationship with Europe and the impact on Wales following Brexit. It is still the case that the Welsh budget will be expected to continue to reduce in real terms over the period to 2021/22.

2.4 Of course, the level of Welsh Government devolved Block Grant is not the only determinant of Welsh Government support for Local Authorities. It is

likely that further delegation and transfer of powers and rights from Westminster to Cardiff, including full devolution of matters relating to business rates, together with further tax changing/raising powers, may impose greater or lesser financial risks to Welsh Government than is currently the case. There is also the fact that Welsh Government has to decide on its own cross-sectoral allocation of devolved funding to public services in Wales.

- 2.5 Whilst it is a positive settlement for 2018/19, it is unlikely that such a good settlement will be forthcoming in future years and, in addition to possible reductions in core funding, the Council also has a wide range of service and demographic pressures which will inevitably impact on demand for services. Equally clearly, there is a potential for further UK Government announcements to impact on costs borne by the Council, particularly in respect of any changes to taxation. The clear example in 2018/19 is of the changes to the National Living Wage, which will add around £1.7m to the Council's annual costs.
- 2.6 As mentioned above, a further complicating factor over the period of the MTFP involves proposals to devolve tax varying powers from Westminster to the Welsh Government. Whilst this notionally impacts primarily on individual taxation, potential devolution of National Business Rates (NDR) has the potential to impact directly on Local Authority budgets and risk. Latest proposals, for example, are to devolve the cost of welfare provision in Wales to the Welsh Government with all the risk that might entail regarding cost movement.
- 2.7 In terms of core revenue funding, the final Revenue settlement issued by the Welsh Government in December 2017 gave an indicative settlement level for 2019/20, which is an improvement on previous years. However there has been no indication beyond 2019/20. This leaves Authorities having to make their own assumptions regarding levels of Aggregate External Funding during the period of the Medium Term Financial Plan, based on an assessment of UK and Wales financial planning and announcements.
- 2.8 All this of course has to be set against a backdrop of significant global instability where events can impact significantly – and at short notice – on the UK economy and the overall UK economic outlook.
- 2.9 For the purposes of the planning assumptions, it is simply not possible to forecast with any certainty the level of funding that is likely to be received from Welsh Government on an annual basis over the period of the MTFP. Instead it is intended to forecast a range of potential funding scenarios, each of which will result in differing financial forecast for the Council over the period covered. The forecasts will be updated using the mid-term budget statement to Council each year to reflect the best information available on a rolling basis.

For the purposes of the MTFP, forecasts will be based around an assumption of a reduction of 1.0% in 2019/20 (as indicated by the Welsh Government), and then cumulative reductions of 1%, 2% and 4% for 2020/21 and 2021/22, although of course reductions will fluctuate on an annual basis.

It is not considered likely that there will be a cash flat position over the period of the MTFP and even less likely that there will be any form of increase.

Year	AEF Reduction @ 1% £'000	AEF Reduction @ 2% £'000	AEF Reduction @ 4% £'000
2019/20*	3,191	3,191	3,191
2020/21	3,159	6,318	12,636
2021/22	3,127	6,192	12,130
Cumulative	9,477	15,701	27,957

* 2019/20 is a reduction of 1.0% across all scenarios as that has been indicated by the Welsh Government.

Note that the above reductions are based on the final AEF for 2018/19 of £319.087m as announced in December 2017.

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

- 2.10 During the timescale of the MTFP there are a significant number of events which could impact on some of the major assumptions we have made. These include:-
- Any voluntary or joint arrangements, including increased regionalisation, in lieu of compulsory Local Government reorganisation in Wales
 - Wider events that could impact on the Global economic position including Eurozone elections.
 - The final exit package agreed by the UK Government in respect of "Brexit"

Support for Capital Programmes

The final settlement indicated support for future General Fund Capital programme at a level of £10.292m for 2018/19, a very slight increase from 2017/18. This support is through a mix of General Capital Grant and support for borrowing.

Planning assumptions for 2019/20, 2020/21 and 2021/22 are based on unchanged levels of support, which is in line with the indicative headline figure issued by the Welsh Government.

As reported elsewhere on this agenda in the Capital Budget & Programme 2017/18- 2023/24 Report, there is an ambitious capital investment programme

which provides support for the newly approved Band B of the 21st Century Schools Programme and major capital schemes flowing from the Swansea Bay City Deal including the Digital Village £30m, Swansea Arena and Swansea Central City Centre Development £121m

The Swansea Bay City Region Deal shall attract substantial grant and loan funding support, which has yet to be formally approved and the capital programme 2017/18 – 2023/24 shall also require significant unsupported borrowing to be undertaken to enable completion.

- 2.11 The total estimated cost of the Band B schools programme envelope is £141.6m (excluding the potential aided sector project which is assumed to require no Council contribution). Of this total, £91m is from traditional capital funding, requiring (after allowance for realisable capital and other receipts) a net local funding requirement of £38.2m. The remaining £51m is proposed to be delivered through revenue funding (Mutual Investment Model), which would require no local capital funding contribution but incur an annual charge once the accommodation and facilities are completed. An equivalent local share of the capital cost would be £12.6m although the 25% local contribution would apply to the annual revenue charge.
- 2.12 The capital financing strategy underpinning the capital budget seeks to maximise grants, supported borrowing, contributions and capital receipts in order to minimise the need to borrow funds. The borrowing requirement identified to support the capital programme is significant and shall require substantial revenue support to service. The revenue implications of the borrowing are reported in the Revenue Budget elsewhere on this agenda. The revenue implications are considered affordable and sustainable over the cycle of the programme.
- 2.13 As indicated above, the position remains that should such capital receipts not materialise the Council will have no option but to consider reductions in spend, seek alternative sources of funding or, as a last resort, consider additional borrowing which shall place a further burden on revenue finances.
- 2.14 In the recent past, the Council has sought to minimise its external borrowing by the use of internal funds, which is entirely consistent with good Treasury Management policy given historic low interest rates on investments and avoiding the 'cost of carry'. Sustained internalisation of borrowing requirement and the significant funding required for the capital programme 2018/19 onwards and the depletion of Reserves and Provisions (including significant sums relating to equal pay settlements) means that externalisation of this debt has become inevitable. It is clear that the Council has an opportunity to progress this at a time when external borrowing rates are at an all-time low and this strategy of externalising debt will continue to be undertaken in 2018/19 and beyond as opportunities arise.
- 2.15 It should be noted however, that even with borrowing rates as low as they are, externalising of borrowing is still likely to have a potentially negative impact on revenue finances going forward.

- 2.16 It remains the case that each year the Council sets aside a significant amount of money (c £14.1m 2016/17) called the Minimum Revenue Provision (MRP) towards the repayment of debt. This provision is in line with the Council's existing MRP Policy. The MRP Policy shall be reviewed in 2018/19. This effective repayment will have to be taken into account when evaluating overall borrowing levels and the ability to service any additional borrowing requirement.
- 2.17 The additional capital investment identified above will attract significant grant funding (especially 21st Century Schools and Swansea City Region Deal), however the programme will still require a material unsupported borrowing to enable completion alongside the use of capital receipts as they are realised. Furthermore some schemes have the potential to provide additional revenue streams of property income, or, subject to agreement, in due course, with Welsh Government, retained elements of non-domestic rates or possibly tax increment financing as further powers devolve to Welsh Government and then on to local government.
- 2.18 Notwithstanding this scale of ambition, each major scheme will, as is always the case, be considered on the overall merits of each business case, both in capital cost, and revenue income streams where appropriate, and unsupported borrowing will be undertaken on a phased basis within the overall envelope for affordability which is considered over the medium to long term to be up to £200m.

3 Detailed Spending and Resources Forecast 2019/20 to 2021/22

- 3.1 The Capital Budget report forecasts capital spending and resources in the period covered by the MTFP.
- 3.2 In terms of the Revenue Budget, and in the context of financial planning over the period of the MTFP, the overriding issue is likely to be the need to make significant ongoing savings in Service Expenditure in order to meet both projected reductions in core and specific funding from the Welsh Government together with known and anticipated spending pressures.
- 3.3 The following table represents the expected funding requirements (based on current policies and decisions) for the period of the MTFP:

Projected spending pressures/funding deficiency 2019/20 – 2021/22

	Note	2019/20	2020/21	2021/22
		£'000	£'000	£'000
Future cost of pay awards	1			
- Non Teachers		3,600	7,200	10,800
- Teachers		2,400	4,800	7,200
National Living Wage – own pay bill	2	1,700	1,700	1,700
National Living Wage – contracts		1,000	2,000	3,000
Increase in Pension Costs	3	1,700	3,400	3,400
Increased Teachers Pension costs	4	1,100	1,100	1,100
Cumulative contract inflation	5	1,000	2,000	3,000
Capital charges – existing	6	1,750	3,500	3,500
Capital charges - new scheme aspirations	7	1,500	3,000	5,000
Use of General Reserves	8	1,000	1,000	1,000
Use of Insurance Reserve	9	0	700	700
Demographic and Service pressures	10	3,000	6,000	9,000
Mid and West Wales Fire authority Levy	11	500	1,100	1,600
Council Tax Support Scheme	12	600	1,300	2,000
Total known pressures		20,850	38,800	53,000
Aggregate External Finance reduction	13	3,200	9,500	15,700
Total Savings Requirement		24,050	48,300	68,700

Note:

1. *The pay award figures represent an average forecast increase of 2.0% for the period of the MTFP for non-teachers and teachers.*
2. *Assumed increases due to implementation of National Living Wage - will affect contract prices and lower end of own pay scale - national spinal point currently being reviewed.*
3. *The Year 2 and 3 costs arising from the triennial revaluation of the local government pension scheme effective from 1st April 2017. The provisional assumption is an effective stepped 1% increase each year to overall costs.*
4. *The Teachers' Pension Scheme (TPS) increases in 2019/20 due to a reduction in the discount rate from 3% to 2.8% per HMT - TPS rises from 16.48% to just over 18%.*
5. *Reflects the assumed minimum cumulative effect of contract inflation.*
6. *The additional estimated borrowing costs as a result of the current Capital programme together with potential increases arising from externalisation of borrowing due to cashflow requirements.*
7. *The initial additional estimated borrowing costs for the delivery of the major aspirational capital programme.*
8. *The need to remove the budgeted take from general reserves underpinning the 2018/19 budget.*

9. *The 2017/18 budget report agreed an annual take from the insurance reserve for three years, this has now been further extended for two more years, after which this money can no longer be assumed available and alternative funding will need to be identified.*
10. *Assumed Demographic and Service pressures mainly around Schools and Adult and Children's Services.*
11. *Estimated Fire Authority Levy increase.*
12. *Reflects the assumed cost of Council Tax Support Scheme costs based on Council Tax increases as a planning assumption only at this stage as set out previously in the medium term financial plan.*
13. *Reflects results of the provisional local government finance settlement for 2019/20 (-1.0%) and assumes a reduction of 2% for future years.*

3.4 As stated, this forecast contains no provision for increases in net service costs, in particular:-

- a) Any increase in costs arising from decisions on Government taxation – most significantly increases arising from upward increases in landfill tax costs.
- b) Corporate costs in excess of budget provision in respect of issues relating to higher than assumed employee costs (higher than 2% pay awards), or bigger movements in minimum statutory wage.
- c) Any one off costs arising from changes to service delivery across the Council, including transformational change.
- d) Any general inflation provision relating to non-contractual issues.
- e) Any increased costs or reductions in income arising from ongoing changes to welfare reform, in particular the introduction of Universal Credit during the lifetime of the MTFP.
- f) Any budget changes arising from further regionalisation of any services particularly where projected budget transfers may be in excess of current CCS service budgets.
- g) Any increases in Capital financing charges beyond those allowed for which is dependent on the Council achieving a level of capital receipts as detailed within the Capital budget submitted for approval elsewhere on this agenda and is wholly dependent on decisions around potential externalising of internal borrowing.
- h) Future funding decisions in respect of protection for Social Services or Delegated Schools' budgets which may be specified by the Welsh Government in future budget settlements.
- i) Any potential downward movement in service specific grants, some of which we have experienced at short notice in the past.

3.5 In addition the forecast does not allow for any potential increase in non-schools' employer superannuation rates for 2020/21 which will be based on a triennial valuation as at 31st March 2020. There is also likely to be a further impact on non-funded schemes including the Teachers' Pension Scheme at a future date.

3.6 Local Government Reform, much discussed over the past two years, remains very much in the offing although precise, alternative future

proposals remain awaited . There will be further regional working required, which will become more systematic and mandatory. No account of any additional costs or savings resulting from any further regional working has been included in the forecast.

4 Strategy to Address Future Savings Requirements: Sustainable Swansea – Fit for the Future

- 4.1 The scale of the financial, demographic and sustainability challenge requires the Council to adopt a radically different approach to previous years. An approach that focuses on:
- *The core future purpose of the Council*
 - *The transformation of services and the model of delivery*
 - *Greater collaboration with other councils and local organisations, community groups and residents*
 - *And, above all, sustainable solutions with prevention at its heart.*

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

- 4.2 It is equally clear that if the Council wishes to prioritise investment in priority services then the actions being taken under the Sustainable Swansea programme represent good practice irrespective of future savings requirements.
- 4.3 The Strategy was agreed by Cabinet and reported to Council in October 2013. The Delivery Programme was approved by Cabinet on 16th July 2015. It remains the Council's overarching approach to budget and medium term financial planning, to help deliver the well-being of future generations, and it is important that we continue to use the narrative in all our communication and that we apply the budget principles across all our thinking. The budget principles are reflected in the proposals set out in this report.
- 4.4 Since the July 2015 meeting of Cabinet we have:
- Continued to work on the delivery of the Savings Programme
 - Commenced and delivered the first two phases of Service commissioning Reviews
 - Identified our next phase of cross cutting reviews.

Our Service Priorities for 2018/19 and the MTFP period

- 4.5 Although the Council is currently focused on a plan to save an additional £60m plus over the period of the MTFP, it is vital that we continue to retain Member and management focus on the significant proportion of our budget that will remain. Our gross budget is just under £700m (excluding Housing Services (HRA)) and we spend around £1.6m a day on services to residents.
- 4.6 The Council has clear and strong long term ambitions for Swansea and the proposals for savings must be seen in the context of the following:

- The Council's top 5 priorities and future plans for services (a revised Corporate Plan was agreed on 24th August 2017) to help deliver the well-being of future generations
- The core objectives of Sustainable Swansea – which embrace all that we do
- The application of the budget principles – which guide our decision making
- The ongoing and sustained reduction in external funding and the need to meet known budget pressures.

4.7 The Council's overall aim is to protect frontline delivery of services as far as possible. However, whilst many things are important, not everything can be a priority. It is important, therefore - particularly in the current climate of significantly reduced resources - to set out clearly our expectations on all services and relative priorities for funding in the context of the significant reductions that we face.

4.8 This requirement is illustrated sharply by the “gearing” effect of savings on services. In other words, if our current savings requirement (excluding schools) over three years was applied, for example, just to the Director of Resources (excluding Council Tax Reduction Scheme) and Place Services, the budgets for these areas would have to be almost cut in their entirety. Consequently, other areas such as Education and Social Care also need to face some relative real terms level of reduction over the next 3 years, given the relative size of their budgets.

4.9 A statement of budget priorities and policy statements that flow from this is set out in **Appendix A**. This statement follows an assessment of services in relation to the following criteria:

- **Invest:** those Services where the Council will increase current levels of investment
- **Maintain:** those services where the Council will broadly maintain current level of spend in the medium term
- **Reduce:** those services where the Council will reduce the current level of spend over the medium term.

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

4.10 Based on the statement of priorities and having regard to the “gearing effect” when considering savings, the indicative 3 year saving/investment targets for each major block of services (including 2018/19), as reported to Cabinet on 14th December 2017, is set out in the table below. This table is important at this stage only as it gives an indication of prioritisation of services, as currently adopted by Council, although it is clear that there are many combinations around Service expenditure reduction that would potentially achieve the same saving.

Service	Current Budget £m	Percentage Reduction/Increase over 3 Years	Amount Realised £m
Schools \$	143.6	+1.5%	+2.2
Rest of Education	21.1	-15%	-3.2
Social Care – Child & Families	35.4	-15%	-5.3
Social Care- Adults	68.4	-20%	-13.7
Poverty & Prevention*	6.1*	+5%	+0.3
Place	50.8	-50%	-25.4
Resources +	22.1	-50%	-11.0
Total	347.5m		-56.1m

*\$ Assumes **local** schools protection continues limiting any material scope for reduction in cash terms.*

** Note that whilst this is the controllable budget for Poverty & Prevention, the Council spends **significantly more** on this area through the contribution of a wide range of other services.*

+ Resources is £43m less £21m Council Tax Reduction Scheme.

- 4.11 This statement will form the basis of our future Medium Term Financial Plan, as well as individual service plans although no formal assumptions should be made around annual budget changes based on this MTFP.
- 4.12 It should be noted that the savings targets detailed above are for the period 2019/20 to 2021/22 and will need to be extended to 2022/23 as planning assumptions for that year become more predictable.
- 4.13 A statement of General Principles to be adopted for all Services together with a summary of specific service priorities is given at Appendix A to this report.

Potential Funding 2019/20 to 2021/22

- 4.14 The Revenue Budget report detailed elsewhere on this agenda identifies possible savings for the 2018/19 financial year. Some of these proposals will generate further savings in future years and so will contribute to the future years' savings requirement.
- 4.15 In addition there are a number of service specific savings proposals that are being considered – it should be noted that these have not yet gone out to consultation, but will do so at the appropriate time.

4.16 These are detailed in Appendix C, but are shown in summary below:

	19/20 £'000	20/21 £'000	21/22 £'000
Future Year Impact of current proposals:			
Resources	839	3,050	3,412
Poverty & Prevention	70	202	316
Education	253	396	488
Social Services	1,291	1,791	1,791
Place	1,195	2,000	2,805
Cross Cutting	59	59	59
Invest to Save - Social Services	2,405	4,860	5,350
	6,112	12,358	14,221
Future Proposals to be Considered:			
Resources	241	1,161	1,161
Poverty & Prevention	151	245	245
Education	193	805	2,055
Social Services	0	0	0
Place	1,601	2,193	2,743
Cross Cutting	750	750	750
	2,936	5,154	6,954
Total Service Specific Savings	9,048	17,512	21,175

4.17 In addition to savings proposals, Council Tax levels must be considered as part of the MTFP. Budgeted gross council tax yield for Swansea for 2017/18 is £108,096,086, which we have rounded to £108 million. This remains the gross yield on Council Tax and it must be borne in mind that any Council Tax increases results in a corresponding increase in the local cost of the Council Tax Support Scheme, (which has been taken account of in the spending pressures above). No assumption about growth in the Council Tax base has been made, to remain prudent and err on the side of caution.

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

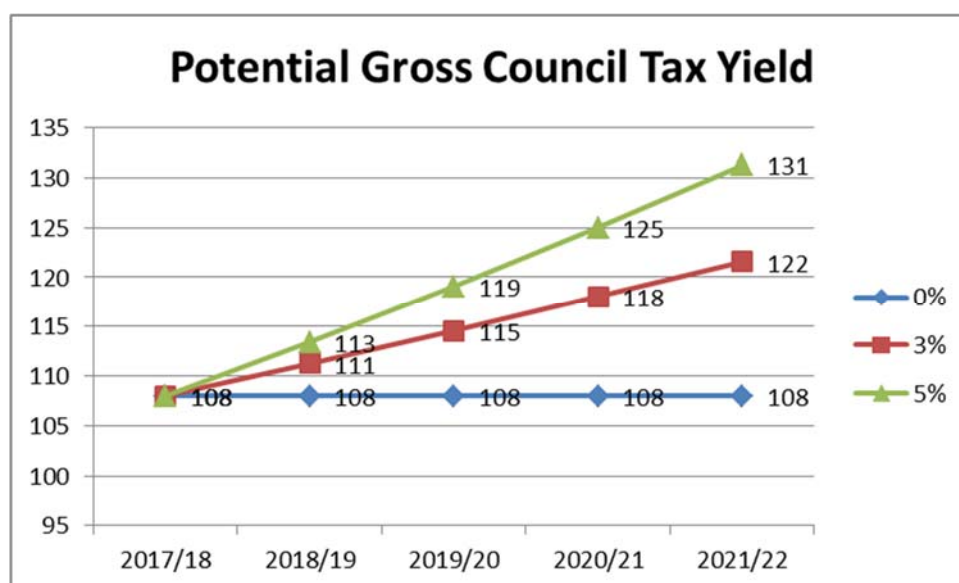
The following stylised planning assumptions are made:

- As in the past, there is no formal published upper limit to annual Council Tax increases but Welsh Government reserve powers and hints of action taken against what could be deemed to be excessive rises, place an effective top end cap at 5% per annum. This is assumed

to be the absolute high end of any potential increases for scenario planning;

- Given the sheer scale of spending reductions needed to set a future balanced budget it is considered equally implausible (albeit theoretically not impossible) that Council Tax levels will be cut. This provides a lower limit of 0% per annum;
- To provide a middle ground option, the stylised assumption is 3%.

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



5 Summary of the Medium Term Financial Plan and Sustainable Swansea Strategy

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

	<u>2019/20</u> <u>£'000</u>	<u>2020/21</u> <u>£'000</u>	<u>2021/22</u> <u>£'000</u>
Cumulative budget shortfall	24,050	48,300	68,700

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

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

- The cumulative effect of any variation in these assumptions in early years

- The uncertainty around assumptions surrounding the latter years of the forecast.

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

- Realisation of future years' budget savings arising out of previously agreed savings and 2018/19 consultation proposals
- Additional Directorate/Service Area targeted savings as detailed in paragraph 4.16 of this report
- Potential rises in Council Tax levels, as estimated in paragraph 4.18 above.

5.4 Bringing these items together, and assuming a balanced position for 2018/19, the following indicative position is envisaged:

	<u>2019/20</u> <u>£'000</u>	<u>2020/21</u> <u>£'000</u>	<u>2021/22</u> <u>£'000</u>
<i>Cumulative budget shortfall</i>	24,050	48,300	68,700
<i>Future year impact of current service savings proposals</i>	-6,112	-12,358	-14,221
<i>Future year proposals to be considered</i>	-2,936	-5,154	-6,954
<i>Potential Council Tax increase at 3%</i>	-4,000	-7,000	-11,000
<i>Remaining Cumulative budget shortfall</i>	11,002	23,788	36,525

5.5 In terms of addressing the remaining cumulative budget shortfall, there are further options available to the Council that at the moment are not firm enough to be able to include in the table above, but nevertheless are being worked through and considered for future inclusion.

5.6 These options include reviewing services and funding provided to schools, potentially higher than 3% increases to Council Tax, some further invest to save schemes and further review of services. These have the potential to realise further funding of circa £25-30million meaning there is a remaining shortfall to be delivered of circa £5-10million over 3 years.

This remaining gap would be potentially bridged if:

- Future MRP savings were realised (estimate £3-4m) following MRP review
- Contingency fund ceased (£3.5m)

5.7 The Council will, as previously agreed, deliver the bulk of this through the Sustainable Swansea programme. Details of the Programme, including progress to date, are shown at Appendix B to this report.

6 Medium Term Financial Planning for Schools

6.1 The purpose of this section is to highlight the estimated effect of specific spending pressures and potential specific grant reductions on Schools' budgets in the light of funding assumptions detailed elsewhere in this report.

6.2 More specifically the Detailed Budget report to Council in respect of the 2018/19 Revenue Budget outlines the specific budget proposals for that year.

6.3 It is important to note that, given the size of the potential budget deficit facing the Council over the period of the MTFP, it is envisaged that Schools will continue to be required to make some contribution to savings targets during this period. However, the Council will continue to prioritise education funding and spending pressures and take into account the extent to which these can be met on annual resources available and competing spending needs.

6.4 The table shown in paragraph 4.10 of this report details the proposed indicative Directorate Savings targets for the period 2019/20 to 2021/22 in respect of the Revenue Budget. Those projected savings targets offer relative priority to Education and Schools budgets in particular.

6.5 It would be prudent to assume, however, that despite the notional 'flat' position for schools highlighted in paragraph 4.10 of this report, reductions in real term budgets of around 2% p.a. will be required to meet the Council's budget needs going forward.

6.6 It is essential therefore that we continue to engage with Schools on a strategic review of provision as simply cutting in real terms by 2% p.a. will not work.

7 Risks and Issues Implicit within the MTFP

7.1 As stated throughout this report the financial risks facing the Council include:

- The volatility of settlements received from the Welsh Government from indicative planning stage to provisional settlement and the absence of any future year guidance on levels of likely settlement.
- Assumptions around the reductions in core funding from the Welsh Government being incorrect, particularly if understated.
- Ongoing reductions in specific grants which require equivalent reductions in expenditure, often at short notice, which are both uncertain and unpredictable in terms of timing.
- Delay or non-delivery of key savings strands which are essential to meet the projected service reductions identified in this report.
- Significant further changes to Central Government fiscal policy with regard to the Public Sector.

- The introduction of new legislation and statutory requirements which impose additional burdens on the Council.
 - The ongoing practical impact of legislation such as the Wellbeing of Future Generations (Wales) Act 2015.
- 7.2 The table at paragraph 3.3 of this report outlining the potential budget shortfalls over the period of the MTFP contains a significant number of assumptions around future cost pressures, particularly with respect to pay awards, which may have a significant cumulative effect if not settled at the levels indicated. This has the potential to change significantly the projected deficit towards the end of the planning period.
- 7.3 The assumptions contained within the plan specifically assume:
- The Council will deliver a balanced revenue outturn in respect of the current and future financial years and, to that extent, no deficits are identified that would require additional funding in future years.
 - The Capital programme is constrained to the extent that the maximum additional debt charges that are incurred (which should be considered temporary until capital receipts are achieved) do not exceed the sums included in the MTFP. In particular that any additional borrowing requirements in respect of aspirational capital development will be met from additional income generation from such schemes or a combination of funding from the public and private sector that evidences financial neutrality and sustainability.
 - The Council continues to achieve its ambitious savings targets.
- 7.4 It is assumed that there will be substantive change to the structure of service delivery, including additional regionalisation of services. It is however far too early to financially quantify and describe those changes so they are explicitly excluded at present.

8 Use of Reserves

- 8.1 The purpose of this section is to highlight the current planned use of General Reserves to support the 2018/19 Revenue Budget and to outline the relationships between known risks and earmarked reserves and its effect on planning assumptions. An analysis of the current position is given in paragraphs 8.3 to 8.8 below.
- 8.2 Conclusions and recommendations in respect of reserves usage is given in paragraph 8.9 below.
- 8.3 The current 2017/18 Revenue Budget was set with no planned use of General Reserves.
- 8.4 In terms of planning assumptions there is no assumption of ongoing use of or availability of General Reserves beyond the one off emergency use for 2018/19 in relation to education specific grants reducing or ceasing.

- 8.5 Whilst the Council maintains a number of specific reserves they are not factored into planning assumptions because they are either ring-fenced under statute or scheme of delegation (e.g. Schools' delegated reserves), or they are earmarked to meet known liabilities.
- 8.6 In October 2017 Council received and approved a report which re-allocated earmarked reserves based on known changes to the risk profile of the Council and it is anticipated that a similar report, probably for inclusion in the mid-year budget statement, will be taken on an annual basis.
- 8.7 Allowing this consideration outside of the annual budget process and after previous year outturn is known will give elected Members better opportunity to reflect on the level of General and earmarked reserves in line with the guidance detailed in paragraph 8.10 below.
- 8.8 In addition various sections highlighted throughout this report refer to significant ongoing risk around current activities – particularly single status and outstanding equal pay claims.
- 8.9 It remains the position that until these significant risks are fully mitigated then any additional planned use of earmarked reserves to support general revenue budget deficits would be inappropriate.
- 8.10 On 12th January 2016 the Welsh Government issued guidance to Local Authority Members on matters to be taken into consideration when scrutinising the level of Local Authority Reserves held at any point in time. This has been circulated to all Members and any recommendation relating to the holding or release of reserves will be undertaken with reference to the principles underpinning best practice as issued by the Chartered Institute of Public Finance and Accountancy and this guidance.

9 Legal and Equalities Implications

Legal Implications

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

Equalities Implications

- 9.2 The budget reductions implicit in the 2017/18 approved budget were subject to the corporate and appropriate Equality Impact Assessment process, which was considered as part of the overall budget process.
- 9.3 Where additional budget savings requirements are identified as part of the 2018/19 and MTFP budget processes they will again be subject to the equality impact assessment process (including relevant consultation and engagement) as part of the budget considerations for those financial years.

Background Papers: None

Appendix A Statement of Budget Principles and Service Budget Priorities

Appendix B Sustainable Swansea Work-streams and Progress to Date

Appendix C Savings Proposals

Statement of Budget Principles and Service Budget priorities

GENERAL PRINCIPLES FOR ALL SERVICES

1. There are a number of principles that apply to all the Council’s services, regardless of the assessment of relative priorities. These are set out below.

Budget Principles

2. The Council has adopted a number of Budget Principles which underpin *Sustainable Swansea*:

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

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

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

Service Transformation and Efficiency

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

Transformation	All service must transform through a fundamental review of purpose, however services are commissioned, to: <ul style="list-style-type: none"> • deliver better outcomes • develop a sustainable delivery model, fit for the future • reduce costs and secure value for money
Efficiency	All services must continue to strive for efficiency, in particular: <ul style="list-style-type: none"> • reduce management and other overheads • maximise opportunities for increasing income from charges, trading and external sources

	<ul style="list-style-type: none"> • reduce the cost of purchasing supplies and services • work with others to achieve better outcomes • look for opportunities for residents or community groups to take or share responsibility for services
--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

STATEMENT OF BUDGET PRIORITIES: PEOPLE'S SERVICES

4. Schools and Education

Education is working towards a "one education budget" strategy across delegated and non-delegated budgets. Whilst recognising the relative priority given to Education (and Social Services), significant savings cannot be made without reductions in the Schools Delegated Budget over the coming years.

Moreover, further significant cuts in the remaining non delegated education budgets will have a direct impact on areas of pupil specific support and further reduce the support that can be provided to schools from the department.

At the same time, greater focus is being given to the regional delivery of services, with increasing numbers of services being delivered via regional arrangements in the coming years. At present it is not clear what the full financial impact of such changes will be, though Swansea will continue to be robust in its presentations to the regional consortia and Welsh Government about our needs.

A further move towards a fundamentally different relationship between schools and the local authority is required. The future model for Education provision includes:

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

We will deliver this through:

- Coherent revenue and capital strategies
- Optimising the level of delegation of funding and responsibilities to schools to allow the greatest flexibility in the use of the available resources
- Supporting earlier intervention and support for pupils:
 - Reducing the need for formal statements

- Providing increasingly targeted specialist support, reflecting the findings of the recent independent behaviour review
- Building capacity in mainstream educational provision
- Empowering & facilitating more collaborative school to school support
- Ensuring delivery of Out of County places for specialist provision are commissioned jointly with other services to seek to maximise economies of scale.
- Delivery of significant financial savings through a continuing coherent 'one education budget' strategy:
 - Retaining an absolute core level of statutory and regulatory provision at the centre
 - Ensuring a full cost recovery of costs of any support provided to schools above this level and providing the minimum level of Council funding required to fully access the remaining available specific grants
 - Ceasing financial contributions to support the few remaining areas of discretionary educational provision.

5. Social Services- Child & Families

No significant policy changes are proposed in Child and Family Services.

We will maintain the current Safe LAC Reduction Strategy to reduce the number of looked after children and achieve the planned savings and service improvements.

There will be an increasing expectation of evidencing impact of early intervention and prevention services being more closely aligned to support families and children earlier, to lessen the need for greater intervention later.

6. Social Services – Adult Social Care

Cabinet have agreed a new Adult Services Model, which supports the service changes that will be needed to deliver improvements in experience and performance, and also to deliver the significant savings required in the medium term.

This model outlines how we will focus on the following objectives:

- Better prevention
- Better early help
- A new approach to assessment
- Improved cost effectiveness
- Working together better
- Keeping people safe.

Underpinning these principles is the need to build trusting relationships with those that we work with, improve communication and work co-productively to design and deliver services and interventions.

Further, we will be finalising and then implementing the outcomes of the Commissioning Reviews for: Day Care Services, Residential Care Services

and Domiciliary Care Services and devising the Learning Disability, Physical Disability and Mental Health Commissioning Strategies. These are the Council's regular process for consistently reviewing service provision and comparing with other services to ensure value for money and improvements in service delivery.

7. **Poverty & Prevention**

We have agreed a comprehensive Tackling Poverty Strategy, which was extensively reviewed in 2017 to ensure it is meeting its aims. The overarching themes are:

- Empowering local people through involvement and participation
- Changing cultures to reflect that tackling poverty is everyone's business
- Targeting resources to maximise access to opportunity and prosperity.

We will be adopting the following principles to this work:

- A whole Public Services Board and whole Council approach.
- Building resilience, social capital and social networks.
- Involvement and participation of service users.
- Implementing 'what works' in future delivery.

We have also revised our Prevention Strategy, which has been consulted upon in 2017 and outlines our approach in this important area. Our vision is to '**....secure better outcomes and better manage demand through preventative approaches**'.

The principles we will adopt as Swansea's optimum model for preventative activity are:

- A whole Public Services Board and whole Council approach;
- Making every conversation count;
- Holistic universal and early intervention services;
- A culture where all services are acting at every point to de-escalate need and build on strengths;
- Adopting strength based approaches using the strengths of individuals, families and communities;
- Supporting independence at all stages, with different levels of interventions offered;
- Building resilience, social capital and social networks;
- Delivery partners have confidence in the approach;
- Making evidence based investment decisions of what reduces demand;
- Learning about 'what works' is fundamental to future delivery.

8. **STATEMENT OF BUDGET PRIORITIES: PLACE SERVICES**

The Place-based services will continue to face significant challenges to meet its overall 50% reduction in budgets although recognition has been given to the fact that these services have faced significant recent cuts and directly impact on the environment and communities the Council serves, so it is more about working smarter and leaner. The main areas affected are as follows:

- Introductions of the actions arising out of the commissioning reviews across all areas
- Conclude the procurement process for the cultural and leisure services allowing Cabinet to make a decision about the long term delivery of these services
- Delivery of the key cross cutting reviews for services in the community and integrated transport
- Maximise commercial opportunities and income generation for services and assets
- Seek opportunities for community involvement in the delivery of services including parks
- Invest where necessary to maintain vital services including replacement waste fleet and key service areas
- Continue to prioritise key corporate priorities including the regeneration of the City Centre and delivery of the city deal.
- Work within the affordability of the housing revenue account to deliver more council homes and the welsh housing quality standard for our council tenants.

9. STATEMENT OF BUDGET PRIORITIES: RESOURCES

The Director of Resources will see a 50% reduction over the next 3 years, around £11m.

To deliver such a challenge our policy must be to:

- Change the current model of delivery to increase self-service for residents and businesses as well as within the Council for staff and Councillors
- Manage demand for central support services by ensuring the workforce has the right skills for the future, particularly managers
- Focus only on the critical functions of the corporate centre such as governance, financial control, core HR advice and commercial capability and stop doing other things
- Look for opportunities for shared service and collaboration models with other organisations and partners, in order to maintain support services as efficiently as possible
- Radically change our approach to customer contact and engagement, to shift to digital channels and reduce costs
- Consolidate and reduce the cost of all common support functions across the Council, such as financial processes, ICT, business support
- Maintain overall investment in ICT, on a business case basis, to support the transformation agenda, including on-line self-service, agile and mobile working and direct service innovation such as telecare.

SUSTAINABLE SWANSEA – FIT FOR THE FUTURE

Transformation Programme 2018-19

The Sustainable Swansea – Fit for the Future Programme

The Sustainable Swansea Programme is the Council's transformation plan across the whole organisation. Planning started back in 2014 with implementation running from 2015 through to 2022. The programme is the Council's proactive response to pressures, mostly in the external environment, to ensure Swansea communities have the right support and remain sustainable in the long term in the context of reducing budgets and rising demand for public services.

A large part of the Sustainable Swansea programme involves a change process called 'Commissioning Reviews'. This is a 22 week process involving in-depth analysis, stakeholder involvement / feedback, benchmarking, and an options appraisal. It is the intention for every service to go through a Commissioning Review in the life of the programme. The Council developed a toolkit to support services through the process.

Importantly, since 2015:

- **17 service area commissioning reviews** have been undertaken (15 completed) and most of these areas are now implementing decisions from their options appraisals.
- The Council has **achieved £60m of savings** through a range of measures and projects including Commissioning Reviews.

The table below highlights some of the main areas of delivery through Sustainable Swansea to date. The expected benefits, outcomes and impact of these projects were defined up front however, it takes time for these to be fully realised. Where benefits are already emerging these are also listed:

<p>Commissioning Review Process and Modernisation of Services</p>	<ul style="list-style-type: none"> ▪ 17 Commissioning Reviews delivered (11 are now implementing their three year plans) ▪ Staff are expanding digital ways of working and developing online services, making it easier for residents and customers to get what they need and encouraging a shift from high to lower cost transactions. ▪ 31 request forms including automated payments ▪ Online payments of over £108,741 reducing back office finance functions ▪ BACs and Card payments increased ▪ 26% of bulk waste requests are now online reducing processing time within the contact centre ▪ Hanging Basket ordering system online has increased sales to wider customer base with £13.6k taken in online sales (parks and cleansing) ▪ The Agile working Strategy has enabled new ways of working and the subsequent release of satellite offices, delivering in excess of £1m per annum revenue savings and £3m in capital receipts. The Council is now reviewing new ways to utilise space in public buildings, to reduce silo working, improve collaboration and agile working, as well as saving money and generating income. Plans to release 2-3,000 square metres of office space within the Civic Centre could improve the way the Council works and generate potential income ▪ Flexible working is reducing staff travel. Through the introduction of new technologies, staff can now work remotely including from home. As a result business travel mileage has dramatically reduced.
<p>Service Commissioning Review Implementations</p>	<ul style="list-style-type: none"> ▪ Residential and Outdoor Centres – The sale of Dan y Coed has completed. Historically only an Education Service, the new business manager has: enhanced the list of services for income generation, retained the historical service for schools, is developing a new online presence including online booking, has introduced deposit systems and re-profiled roles and structures to fit the future service model. A feasibility and bid has been submitted to develop the next phase of the model to maximise income. ▪ Waste Management – Three recycling centres have been developed including challenge stations for residual waste to complement the ‘no black bag’ policy. The impact has been to raise awareness of recycling whilst also delivering a dramatic reduction in tonnage collected (approx 10,000 tons to 2,000 tons). The Service was recognised nationally for this innovation, winning the iESE Award, LPG Awards and was shortlisted for a number of APSE awards. The new pink bag initiative is rolling out and recycle rates are on target for 64% in 2020, the Council is currently performing at 63.7%

- **Business Support** – This project delivered many changes across three phases including:
 - Implementation of the Service Centre and Transactions Team which incorporates the employee services helpdesk.
 - Rollout of end to end process changes with regard to purchasing and paying suppliers for goods and services, moving this all online.
 - Significant improvements in self-service support for officers and managers online.
 - The services which are available to the public through the Contact Centre have been increased to include Street Lighting, Parks & Leisure, Parking Services, and Cashiers.
 - Online forms have improved both the speed and efficiency for the public and increased business intelligence capability within the Council.
 - Strategic support for the Member-led approach and cross-party Policy development has implemented
 - A consistent approach to Business Support across the Council is progressing with the development of Business Support ‘mini hubs’ within the People and Place Directorates. This will enable corporate consistency whilst being tailored to Service needs.
- **Cleaning** – Phase 1 and Phase 2 of site assessments have been completed resulting in: a reduction in hours for some cleaning staff, new output specifications being introduced at sites, performance and monitoring quarterly, and new team working helping with the management of workforce. Income generation opportunities are now being explored alongside electronic timesheets.
- **Corporate Building & Property Services** – Re-profiling and structures have been implemented, the Service now delivers the kitchen and bathroom programme in-house. This has resulted in the recruitment of 40+ trades personnel some having a multi-skilled discipline and not a specified trade ensuring the workforce has sustainable skills. 14 new apprentices have joined the service. The new homes build project has also been completed. The service is currently adopting mobile working.
- **Family Support** – Launch of the Domestic Abuse Hub was implemented in July 17.
- **Adult Services** – The Social Services delivery model was agreed in Nov 17 and will feed into the new Services in the Community cross-cutting work. Transformation of domiciliary care and residential care are part of the wider Adult Services Improvement Plan.
- **Public Protection** – Programme of process mapping and analysis across public protection started in Nov 17 and will be completed by January 18.
- **City Regeneration and Planning** – Recommendations from the commissioning review are being implemented including implementation plans for a new model and mobility hire services.

	<ul style="list-style-type: none"> ▪ Catering – A Business Development Officer analysing internal catering for income generation opportunities. Reconfiguration of the canteen facilities to be planned for early 2018 ▪ Cultural Services – In-house transformation completed as planned, this included full staff restructuring across operations and establishments ▪ Paid Access to services – Tendering for Leisure/Outdoor/Theatres and Brangwyn Leisure progressing as per the implementation plan. ▪ Culture Strategy and Outreach – Transformation underway as planned in areas such as parks letting schemes, creation of development teams, and commission of water safety charges review with the RNLI ▪ Highways and Transportation – Initial Integrated Unit works have been completed in 17/18, bringing together transport teams from across the Council. Further planning to be undertaken. The review is scheduled to be presented to Cabinet in January 18
Future Council	<ul style="list-style-type: none"> ▪ The Organisational Development Strategy has been developed and proposes a phased implementation over four years to ensure the Council’s workforce has the skills for the future. The work is underpinned by the principles of the 21st century public servant and 21st century Councillor developing people’s skills and behaviours alongside the Council’s culture. ▪ Workforce modernisation has focused on absence management this year in order to address sickness levels and increase productivity. The Council’s performance is improving and recently entered the top quartile across all Local Authorities in Wales however, further time is needed to see the true impact of this project. Further workforce modernisation projects are underway such as reviewing zero hour contracts. ▪ A Corporate co-production, communication, consultation and engagement strategy is in development. The new approach to co-production will be piloted with the Services in the Community cross-cutting project to ensure residents, businesses and other important stakeholders can be involved in shaping future community services ▪ A Commercial Strategy and plan is underway. A significant number of commercial projects have already been delivered within Services alongside a more commercial approach to procurement and contract management. This work is being fast tracked and increased to deliver budget proposals over the next four years.
How	<ul style="list-style-type: none"> ▪ Feedback indicated the Commissioning Reviews had a positive impact on the workforce encouraging staff to ‘think differently’ about how and why the Council delivers its services

Sustainable Swansea has impacted the Council's culture

- **The Commissioning Review process has in itself led to a significant culture change**, with staff owning the process and being integral to the development of the solutions. The reviews have involved stakeholders at all levels including trade unions, Councillors, Scrutiny, and internal and external stakeholders. This has broken down silo working and led to significant financial and other benefits such as improved outcomes for residents and customers
- **Demand Management – Delivered a Demand Management Strategy and Toolkit** for staff, developing the skills of staff to help them identify and understand Service demand and resolutions. Techniques such as Systems Thinking have been used to gather important demand data for the Domestic Abuse Hub pilot, other areas that will be explored in the new cross cutting themes will be in Housing and the Food Safety team.
- In addition the co-production approach within social services has seen a change in how service users engage with the Council. This approach of service user involvement will develop with the corporate co-production approach.

The programme is reviewed and adapted annually as result of:

- Projects completing as planned
- Changes in the environment including new legislation
- New pressures or challenges, requiring an innovative approach
- Annual budget setting to ensure that transformation priorities and resources are aligned to savings targets.

The Sustainable Swansea model below has been updated and adapted to align with this MTFP. The three segments: Transformation, Digital and Future Council are the **priorities for the year** so that resources can be targeted to deliver both change and financial targets. Around these priorities are the **principles of the programme**: These act as the 'lens' through which staff can continuously review working practices and plan for change.

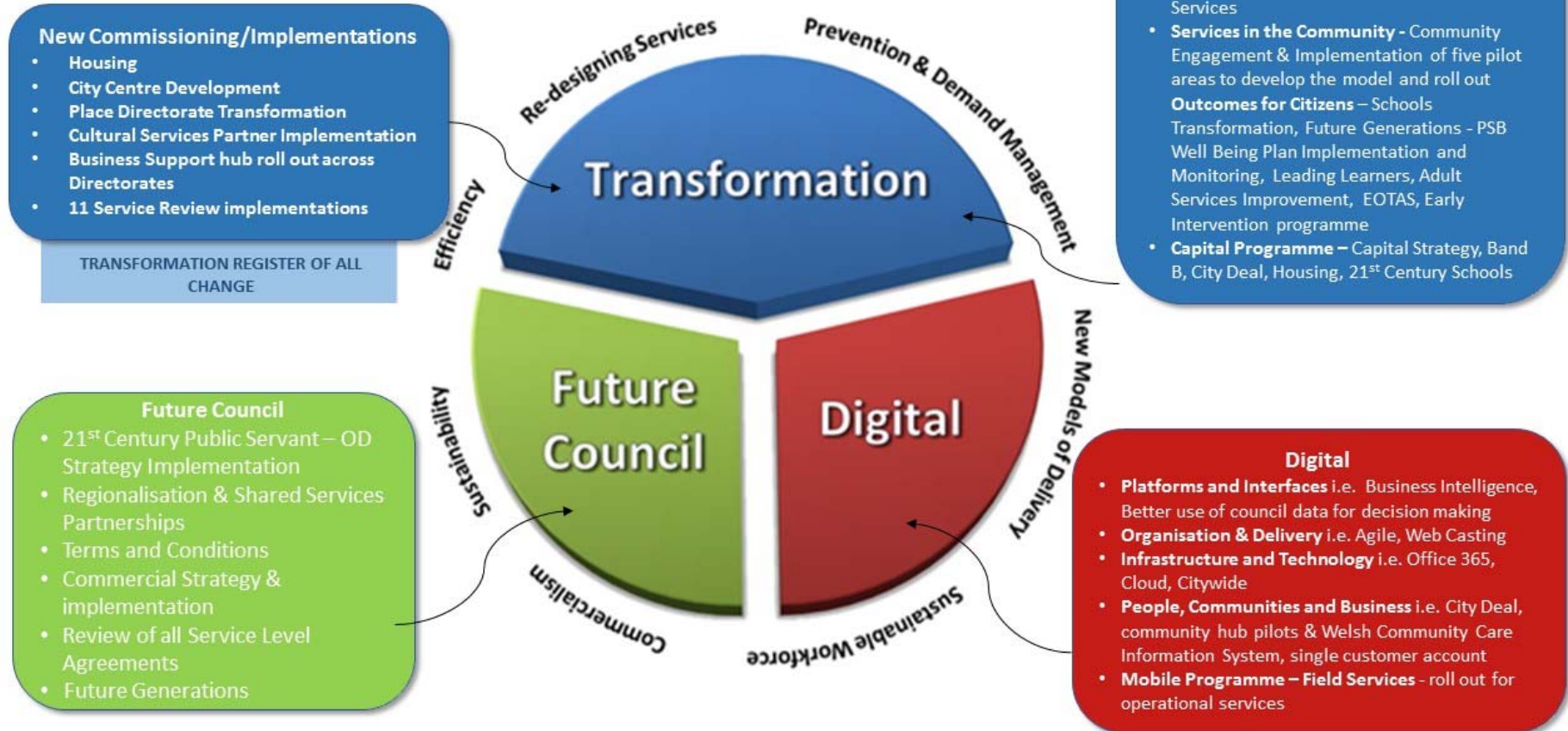
The three priority areas have been changed in the following ways:

- **Transformation:** Last year's report highlighted the shift from individual Service Commissioning Reviews to a cross-Council approach, bringing Services together around common themes. The four themes have been developed alongside key stakeholders. In addition the programme will complete the remaining commissioning reviews and support their implementations as well

Directorate specific changes. The Council also has a Transformation Register which tracks and monitors all changes across the organisation and ensures a Team Swansea approach.

- **Digital:** This is the continued implementation of the Digital strategy with particular focus on implementing mobile and field working for operational services and installing public accessible Wi-Fi to Council buildings which is part of the commitment to help residents and service users get online and increasing digital inclusion. Also supporting the infrastructure developments around City Deal and regeneration of the City Centre, further roll out of agile working for staff with new technology, and implementation of the all-Wales Community Care Information System for Social Services and Health.
- **Future Council:** Organisational development is a key priority over the next year to ensure the workforce has the right skills for the future and that staff, managers, and Councillors have a supportive development environment. The commercial strategy implementation is also a key priority in ensuring the Council has a sustainable model into the longer term. All this work is being undertaken in the context of growing regionalisation.

Sustainable Swansea – Fit for the Future



APPENDIX C

		19/20	20/21	21/22	
DIRECTOR	HEAD OF SERVICE	£'000	£'000	£'000	Saving Proposal
Future Impact of 2018/19 Savings Proposals					
Resources	Various	829	1,027	1,379	Management Review including all tiers, regional working and shared services, more digital working and 'mini business hubs' within other directorates
Resources	Various	0	2,003	2,003	Service Reviews and demand management across all areas of the Directorate
Resources	Various	10	20	30	Review and full cost recharge of Welsh Translation Service to users
People	Adult Services	500	1,000	1,000	Management savings across all levels within Adult Services
People	Adult Services	11	11	11	Review of Community Alarm Service (separate consultation)
People	Adult Services	170	170	170	Implement preferred options as outcome of Commissioning Review leading to reduction of in-house beds
People	Adult Services	110	110	110	Review of Day Services eligibility (separate consultation)
People	Adult Services	500	500	500	Implement preferred options as outcome of Commissioning Review
People	Education	40	40	40	Catering and cleaning services - further review of actual costs to achieve full cost recovery
People	Education	103	149	229	School Meal prices: further increases (5p / £2.30: Sept 18; 10p / £2.40: Sept 19; and 10p / £2.50: Sept 21)
People	Education	50	100	100	Robust management of demands on remaining severe and complex needs budgets
People	Education	6	12	18	Further reductions in regional improvements service ring-fence consistent with funding settlements
People	Education	6	12	18	Further assumed reductions in Education Improvement Grant matching funding requirements
People	Education	18	18	18	Ethnic minority achievement service - full recovery of eligible costs from external grant
People	Education	30	65	65	Further review of management posts in light of changing demands and capacity issues
People	Poverty & Prevention	0	10	10	Reduce satellite youth clubs provision (Gendros, Montana, Morrison, St Thomas, Friendship House)
People	Poverty & Prevention	0	42	81	Reduction in investment in Early Years
People	Poverty & Prevention	50	110	145	Maximise grant funding and income opportunities
People	Poverty & Prevention	20	40	80	Alignment of Early Intervention and Family Learning provision
Place	Corporate Building	125	125	125	Staffing and transport savings due to more efficient mobile working
Place	Corporate Building	50	100	150	Reduced maintenance on a number of building assets assuming a number will have been rationalised (sold, transferred to community running)
Place	Highways and Transportation	250	250	250	More efficient and effective transportation across all Council activities
Place	Highways and Transportation	15	15	15	Swansea Marina increased income opportunities outside of actual mooring fees
Place	Highways and Transportation	5	10	15	Increases in licensing charges
Place	Various	750	1,500	2,250	Increased fee earning activity, assuming full cost recovery
Cross cutting	Cross Cutting	59	59	59	Reimburse only half of all staff professional fees
People	Adult Services	500	1,000	1,000	Review all Mental Health and Learning Disability packages of care, to ensure that they are fit for purpose and those eligible for health funding receive it. (separate consultation)

		19/20	20/21	21/22	
DIRECTOR	HEAD OF SERVICE	£'000	£'000	£'000	Saving Proposal
People	Adult Services	505	1,010	1,300	Review all packages of care to ensure fit for purpose and effectively manage new admissions to residential and domiciliary care. (separate consultation)
People	Adult Services	500	1,000	1,000	Targeted increase in recourse to direct payments as alternative to non-complex domiciliary care packages and complex care packages for Mental Health & Learning Disabilities (separate consultation)
People	Adult Services	500	1,000	1,000	Charging Policy and Annual Fee Increases
People	Child & Family Services	0	0	200	Savings arising from the Safe LAC Reduction Strategy
People	Child & Family Services	400	850	850	Demand management ensuring Child & Family work only with those children with eligible needs requiring a Social Work intervention.
		6,112	12,358	14,221	Total of Future Impact of 2018/19 Savings Proposals
New Proposals from 2019/20					
Resources	Various	25	25	25	Give notice and withdraw from corporate subscription (EU & LGA)
Resources	Various	40	60	60	Increased income opportunities including Mansion House and new advertising
Resources	Various	176	176	176	Management Review including all tiers, regional working and shared services, more digital working and 'mini business hubs' within other directorates
Resources	Various	0	900	900	Review insurance reserve, attitude towards risk and excesses
Cross cutting	Cross Cutting	750	750	750	Review of staff terms and conditions
People	Education	36	36	36	Give notice and withdraw from WJEC contribution
People	Education	97	129	129	Review of Music Service to enable break-even position
People	Education	0	500	1,500	Whole of Transport Review
People	Education	40	80	80	Further streamlining of SEN panel / review processes
People	Education	0	0	250	Review of Out of County placements / delivery model
People	Education	20	60	60	SIMS / MIS Joint Working and broadband / licence costs through enhanced scale discounts with NPT
People	Poverty & Prevention	119	204	204	Adult and community learning - planned recovery of full costs with review of WG ACL grant allocation and additional income initiatives
People	Poverty & Prevention	32	41	41	EIS Reduction in investment in Disability
Place	Corporate Property	650	850	1,350	More efficient use of Corporate properties to make full use of rental opportunities and community involvement
Place	Culture and Tourism	471	563	563	Savings arising from the completion of Cultural Commissioning Reviews
Place	Highways and Transportation	20	20	20	Expansion of Camera Car Operation
Place	Highways and Transportation	30	280	280	Management Review of CTU including becoming a commercial operation
Place	Highways and Transportation	280	280	280	Savings on School Transport arising from availability of new safe Walking Routes to School
Place	Various	0	50	100	Regionalisation savings (assuming future regional model for mandated services)
Place	Waste Management and Parks	150	150	150	Transfer of Botanical Gardens
		2,936	5,154	6,954	Total of New Proposals from 2019/20
		9,048	17,512	21,175	Total of all Proposed Savings



Report of the Section 151 Officer

Cabinet – 15 February 2018

Revenue Budget 2018/19

Purpose: This report sets out the current position with regard to the Revenue Budget for 2018/19 for consideration by Cabinet.

Policy framework: Sustainable Swansea – Fit for the Future

Consultation: Cabinet Members, Legal, Access to Services & Corporate Management Team

Recommendations: It is recommended that:

- 1) Cabinet considers the outcome of the formal consultation exercise, and agrees any changes to the Budget Proposals in Appendix D, together with the position regarding delegated budgets as set out in Sections 4.10 and 4.11 of this report.
- 2) Cabinet note the current Resource Gap identified in Section 4.5 of this report and, in line with the potential actions identified in Sections 9 and 10 of this report, agree a course of action to achieve a balanced Revenue Budget for 2018/19. In addition to a review of current savings proposals Cabinet will need to:
 - Review and approve the Reserve transfers recommended in this report
 - Agree a level of Council Tax for 2018/19 to be recommended to Council
- 3) Subject to these changes, Cabinet recommends to Council for approval:
 - a) A Revenue Budget for 2018/19;
 - b) A Budget Requirement and Council Tax levy for 2018/19.

Report Author: Ben Smith

Finance Officer: Ben Smith

Legal Officer: Tracey Meredith

Access to Services Officer: Rhian Millar

1. Introduction and background

1.1 This report details:

- Financial monitoring 2017/18
- The Local Government Finance Settlement 2018/19
- Budget Forecast 2018/19
- Specific Savings Proposals
- Outcome of Budget Consultation
- Staffing Implications
- Reserves and Contingency Fund requirements
- The Budget Requirement and Council Tax 2018/19
- Summary of funding proposals
- Risks and uncertainties

1.2 The financial assessment in relation to 2019/20 – 2021/22 is contained in the ***Medium Term Financial Plan 2019/20 – 2021/22*** elsewhere on this agenda.

1.3 This report builds upon and needs to be read in conjunction with -

- The budget strategy agreed by Council on 22nd October 2013 – ***'Sustainable Swansea: Fit for the Future'*** focusing on the principles and strategies to be adopted as part of the current and future budget process.
- The report to Cabinet on 29th July 2014 – ***'Sustainable Swansea: Fit for the Future: Delivery Programme'*** which agreed the specific objectives of the programme and set out an outline programme for delivery.
- The update report on Sustainable Swansea – Fit for the Future as approved by Cabinet on 16th July 2015.
- The report to Cabinet on 14th December 2017 – ***Sustainable Swansea – Fit for the Future: Budget Proposals 2018/19 – 2021/22*** setting out the Council's proposals for budget consultation.

1.4 The report sets out the outcome of the budget consultation and invites Cabinet to consider the comments received from residents, community groups, partners, employees, School Budget Forum, Joint Phase Head Teachers, Trade Unions and others. Cabinet are asked to consider any changes to the draft Budget proposals and proposed Council Tax level, prior to recommending the budget to Council. The report also includes an Equality Impact Assessment statement so that Cabinet can be aware of the key issues before finalising budget proposals.

2. Financial Monitoring 2017/18

2.1 Cabinet considered a report on the estimated Revenue Outturn for 2017/18 at its meeting of 8th February 2018. It is projected that the Council will outturn at a position that reflects a slightly improved position from the £7.3m forecast overspend at quarter 2.

- 2.2 Current 3rd quarter financial monitoring highlights a slightly improving picture for the Council overall but, as is the case in quarter 2, there is substantial variation in performance across Directorates.
- 2.3 There are significant variances on savings built into the base budget for 2017/18; if these savings are not achieved there will continue to be an impact in 2018/19 and beyond.
- 2.4 The initial scale of potential overspends for 2017/18 remains significantly in excess of any potential sums available to offset that shortfall. The current indication is that there still needs to be urgent and decisive action to pursue additional savings across the Council, as even if not now achievable during 2017/18, they need to be ready for 1st April 2018.
- 2.5 Current estimates are that the overspend is likely to be around £6m (approximately 1.6% of original budget) as an upper figure, predominantly because of overspending in adult social services, resources and one off pay related costs from the enhanced early retirement/voluntary redundancy scheme.
- 2.6 Due to use of earmarked reserves, designed to assist with the one off costs of the early retirement/voluntary redundancy scheme it is expected that there will need to be a final take from the General Reserve of approximately £3.4m in order to finance this residual overspend.

3. The Local Government Finance Settlement 2018/19

- 3.1 The Cabinet Secretary for Finance announced the final Revenue and Capital Settlement for 2018/19 on 20th December 2017.
- 3.2 The final Revenue Settlement for 2018/19 provided an additional £2.588m compared to the provisional settlement issued in October 2017, and included in the budget proposals report to Cabinet in December 2017. This is mainly due to the fact that the Welsh Government provided an extra £20m for Councils in 2018/19, an extra £7m for the increase to the capital limit for charging for Residential Care and an extra £1.3m for targeted relief for supporting local businesses. For Swansea there is £0.558m specifically identified for the residential care capital limits, general support for local businesses is estimated at £0.120m, leaving approximately £1.9m as a general increase. Changes are as follows:

	<u>£'000</u>
Forecast decrease in Welsh Government support 2018/19 per Cabinet report 14 th December 2017	-277
Increase to the residential care capital limits	+558
Increase for support for local businesses (estimated)	+120
Increase due to updated data and assumed relative changes in tax base	+349
Increase resulting from extra All Wales £20m allocation from Welsh Government (estimated)	+1,561

- 3.3 The result is an overall improvement on forecast Aggregate External Finance of some £2.588m. However, there are likely further reductions in several specific grant totals, some of which are already clearly emerging (e.g. Education Improvement Grant, waste element of the Single Environment Grant) which will significantly affect actual grant received by the Council in due course. The overall outcome on all specific grants will not be known for some time and as such the overall funding picture may not reflect the improvement evident on the settlement alone.
- 3.4 Implicit in the settlement is assumed partial protection in respect of Social Services. The local value of that protection is not particularly specified in terms of value but it is anticipated that funding in terms of known service pressures identified in Section 4 of this report will satisfy any ministerial funding expectation.
- 3.5 In respect of Schools, there is no longer an ongoing formal ministerial protection or funding guarantee so any decision over schools funding is a local one to be made by Cabinet and ultimately by Council, having any due regard to any budget consultation responses received.
- 3.6 In revising the Medium Term Financial Plan and setting the Budget for 2018/19, it is essential that the Council adheres to and continues to implement the objectives in *Sustainable Swansea – fit for the future*. The Council has made clear through *Sustainable Swansea* that the need to transform services, reduce or divert demand through prevention and to look for alternative models of delivery, including community action, is required for our future sustainability and to improve outcomes for residents.
- 3.7 **The financial pressures and level of risk that we face and will continue to face make the need to implement these changes ever more urgent. The increase in AEF should be seen as an opportunity to increase investment in the Council's priorities and preventative action in particular, not to slow down the pace of change or the level of required savings.**

4. Budget Forecast 2018/19

Overview

- 4.1 The budget proposals for 2018/19 as submitted for consultation on 14th December 2017 resulted in a projected funding deficit of £22.177m. The funding deficit was made up of projected funding pressures of £27.976m partly offset by a provisional increase on Welsh Government Aggregate External Finance (AEF) of £6.076m in respect of transfers into the settlement, plus a slight reduction in the overall level of AEF of £0.277m.
- 4.2 The announcement of the final settlement, together with a slightly improved view on the financial position with regards to 2017/18 outturn, means that the overall funding deficit forecast for 2018/19 will inevitably have changed.

- 4.3 In addition, the opportunity has arisen to review all aspects of the budget pressures and risks so far identified with a view to updating the forecast using the latest up to date assumptions, in particular around the pay offer made by the National Employers Council, which was announced in December 2017.
- 4.4 The options for funding the deficit that is identified remain as:
- Savings on current service net expenditure (through a combination of expenditure reduction and additional income generation)
 - Increases in Council Tax levels (including opportunity to reconsider the 3% planning assumption)
 - Potential further reductions in the Contingency Fund
 - Use of Reserves and Balances (not advised).

Forecast funding shortfall 2018/19

- 4.5 The revised shortfall in funding previously identified in paragraph 4.1 above can now be updated and summarised in Table 1(a) below:-

Table 1(a) – Projected pressures 2018/19

	2018/19 £'000
Future cost of pay awards	
- Non Teachers – average of 2.5%	4,500
- Teachers	2,400
Pay and grading scheme	2,700
<i>Costs imposed without funding by UK Government:</i>	
- National Living Wage – own pay bill	700
- National Living Wage – contracts	1,000
Increase in Pension Costs	1,700
Cumulative contract inflation	1,000
Capital charges – existing	1,500
Use of General Reserves (not advised)	0
Demographic and Service pressures	3,000
Proposed targeted investment in services (EOTAS)	300
Mid and West Wales Fire authority Levy	356
Council Tax Support Scheme	1,000
Passported through AEF to services – grants	6,073
Passported through AEF to services – new responsibilities	1,299
Foster allowances - full year effect	700
Adult Services pre-existing baseline pressures from 2017-18	3,500
Service Pressures Accepted	4,114
Loss of specific grant – Ethnic Minority Achievement Unit	870
New Service Pressures in respect of specific grant reductions	130
Total known pressures	36,842
Aggregate External Finance increase CASH	-2,313
Rebase of External Finance (grants as above)	-6,073
Total Savings Requirement	28,456

- 4.6 The reasons for the increase in the overall savings target since Cabinet in December are detailed in Table 1(b) below:

Table 1b – Movement in projected pressures

	2018/19 £'000
Target per Cabinet Report 14th December 2017	22,177
Change in Aggregate External Finance from the Welsh Government between provisional and final settlement	-2,588
Increase to forecast local government pay award	2,700
Increase in respect of residential care capital limits (new responsibility)	558
Increase in respect of Homelessness (new responsibility)	741
Projected increase in Levies (Fire and Port Health)	56
Reduction in increase required for Council Tax Support Scheme (updated assessment)	-300
Inclusion of Service Pressures in table 1(a)	4,244
Loss of specific grant – Ethnic Minority (Education)	870
Other minor consequential estimate refinements	-2
Cumulative revised target	28,456

Inflation

- 4.7 The 2017/18 revenue Budget provided a corporate provision of £1m for inflation, which was specifically to cover the cost of the Apprenticeship Levy.

Given current UK inflationary levels and forecasts to come through the year there is a strong case for increasing the corporate (General) provision for inflation in 2018/19. Mainly to cover the increase of costs associated with contracts, £1m will be provided in the corporate provision.

It is the case, however, that the Council is likely to experience significant cost pressures in specific areas as detailed in Table 2 below and these have already been provided for as follows.

Table 2 – Potential Service inflationary and cost pressures:

	£'000
Increased contract costs due to rises in inflation	1,000
Increased contract costs due to rise in National Minimum Wage levels (already in services)	1,000
Increased costs due to rise in National Minimum Wage levels (own pay bill) (already in services)	700

In the November 2015 Autumn Statement, the Chancellor first announced significant increases in the National Minimum wage to be introduced over the next three financial years. Whilst the actual increases will vary year to year there will be continued pressures. This will affect direct employee costs incurred by this Council during 2018/19, and it is highly probable that this will impact directly on wage costs of external contractors particularly in respect of contracted services within Social Services.

Irrespective of increases in minimum wage, there is likely to be pressure from contracted areas in both Social Services and Transport Services for elements of cost increases. These will need to be funded from the corporate inflation provision on a case by case basis as the need arises.

The cap on public sector pay awards has loosened somewhat this year, with increases approved for firefighters and teachers that are higher than the previous 1% cap. Indeed, the initial offer made by the National Employers on behalf of the main local government pay sector is worth (on average) around 2.5%. This increase for 2018/19 has now been fully built into, and adds to, revenue budget pressures.

The Apprenticeship Levy is still held centrally on the general provision for inflation line as it is currently a cost that is in effect a corporate tax. This makes the total provision for inflation £2m, although half of this has to be considered already fully committed for that levy.

As in previous years, and as detailed below, it is assumed that any provision for increases in School pay budgets will be met directly from Schools' delegated budgets.

Schools Prioritisation

- 4.8 It remains the case that the forward financial plans for the Council will continue to show year on year savings requirements which are likely to be significant and sustained. Given the scale of savings required, it is inevitable that it will be impossible to exempt schools' budgets fully from longer term real terms cuts.
- 4.9 Reductions can be viewed in two ways:
- Cash reductions in levels of funding provided to Schools
 - Real terms reduction in Schools funding, taking into account known spending needs.
- 4.10 For 2018/19 there is no longer any Ministerial funding commitment to schools. Although the Cabinet Secretary for Finance has notionally prioritised funding for the school element of the settlement, the fact is that there is no additional cash for this. However it is intended to provide funding for various service pressures as a local priority for Cabinet.

The net result of these proposals is an increase in the underlying base budget cash settlement to Schools of some £2.2m (1.5%) for 2018/19, which is a

much better position than the 0.6% increase in this Council's funding from Welsh Government.

This year the headline figure across Wales in respect of Pupil Deprivation Grant remains the same as for 2017/18, if allocated across authorities on the same basis then this will mean no change to Swansea Schools.

Education Improvement Grant is forecast to decrease by 11.4% across Wales, which could have a more significant impact on Swansea Schools and wider education provision (a possible reduction of £1.1m)

- 4.11 Table 3 below sets out the effective impact of the core funding increase against expected funding pressures for Schools.

Table 3 – Impact on Schools delegated budgets

Item	£'000
<i>Cash position</i>	
Net core delegated base budget 2017/18	143,608
Increase for Pay Award - all staff (2%)	2,600
Increased Pension costs re non-teaching school based staff	300
Increased demographics pressures	1,000
Non-funding of cost increases	-2,698
Recognition of pressures faced by schools	1,000
Core delegated base budget 2018/19	145,810
	+1.5%

i.e. The above cash increase assumes that Schools will help meet the additional costs of teachers pay awards and pension increases for 2018/19.

The base increase in core delegated budget would therefore be 1.5%.

In recognition of not being able to fund all pressures, and the challenging position thus still facing schools, in line with the proposals set out in the 14th December cabinet report, schools are additionally able to specifically access up to £1.3m, in 2018-19, from the contingency fund and restructure reserve. Total schools additional new support for 2018-19 will therefore be £3.5m, albeit £1.3m of that is on a one off basis.

Further delegated funding increases for Specialist Teaching Facilities and Additional Learning Needs one-to-one for 2018/19, and other specific grant changes, means that the total amount available to school governing bodies and head teachers to decide to spend locally and flexibly has significantly increased further from the 2017/18 original budget. The total gross school cost centre budgets set out in Appendix H have increased by more than £3.9m for 2018/19 or 2.7% in respect of changes within the control of this authority.

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

As a result of the advised Welsh Government allocation of the Post 16 Education Grant for 2018/19, a reduction of nearly 10% for this authority, schools funding will now have to absorb a reduction of £501k, meaning overall the schools gross increase is proposed at £3.405m, an increase of 2.4%.

Social Care protection

- 4.12 Similarly to Schools, the Welsh Government overall Revenue Settlement for 2018/19 included a notional prioritisation of funding for social care. In reality there is no significant additional funding specifically for social care as the overall settlement whilst increased, does not even begin to address inflationary pressures, let alone service specific pressures.

Overall the cash budget proposed for social services increases by around 2.5% or £2.7m, including money allocated for the increase in capital limits for social care.

Capital Financing Charges

- 4.13 There is a base line increase of a net £1,500,000 compared to the 2017/18 approved budget reflecting both additional unsupported borrowing and the potential requirement to externalise elements of that borrowing during 2018/19 dependent on expected movements in borrowing rates.

As at 1st April 2015, and to date, a significant element of the Capital Financing requirement has been met by the allocation of internal funds (internal borrowing). This is highly dependent on cash-flows of the Council and it is anticipated that, during 2018/19, as has happened in 2017/18, there may be a further need to externally borrow to replace elements of current internal borrowing.

Whether or not that need arises, I am mindful that we continue to enjoy historically low rates of interest on borrowing, and that a decision may be required to externalise further elements of current internal borrowing should there be a predicted and marked increase in forecast rates in order to best serve the Council's interests in the medium to long term.

Furthermore the authority has a potential range of ambitious and challenging investment plans and opportunities in the shape of 21st Century Schools Band B programme, the City Region Deal, City Centre redevelopment, and new housing plans, which are set out in the report on Capital elsewhere on this agenda.

Whilst this has no immediate impact on 2018-19, there is a longer term requirement to anticipate additional capital financing costs peaking at around £14m per annum extra (in 2025/26).

Fire Authority Levy

- 4.14 Since the 14th December 2017 Cabinet report we have been notified of a proposed increase in the Fire Authority Levy of £0.356m (2.9%). We will need to await final notification, which will include changes expected due to the relative allocation across each levied Authority.

Pay & Grading Settlement

- 4.15 A single pay and grading structure was introduced across the Authority with effect from 1st April 2014.

The introduction of this scheme is a positive achievement and in future years will add certainty to pay estimates. The Council has made considerable progress in terms of completing the Appeals process arising out of implementation and in making payments of back pay to those who gained under the new scheme and/or were successful in the appeals process.

The current budget proposals do not set aside any additional sum in respect of pay and grading based on the substantially complete progress that the Council has made to settle all outstanding liabilities.

In line with previous reports, the budget proposals for 2018/19 allow for £2.7m of increased employee costs for 2018/19 in relation to incremental increases for those staff who were originally assimilated to the bottom of their pay scale on implementation of the pay and grading scheme. This will be the final year of increases for incremental progression to be funded corporately.

Council Tax Reduction Scheme

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

The effects of funding additional Council tax support have been taken into account when calculating the funding in respect of the overall budget shortfall highlighted in table 1(a) in paragraph 4.5 of this report in the sum of £1.0m.

5. Specific Savings Proposals: Update

- 5.1 In determining its budget proposals, the Authority has embarked on a specific long-term strategy – ‘*Sustainable Swansea: Fit for the Future*’ - as a means of setting Council priorities, transforming services and addressing current and future deficits.

Details of that strategy, including the budget principles that the Authority has adopted together with a description of the key elements that underpin the service savings proposals, was presented and approved by Council on 22 October 2013 and subsequently reviewed by Cabinet on 16th July 2015.

- 5.2 The strategy as adopted underpinned the decision taken at the Council’s Cabinet on 14th December 2017 to recommend specific savings proposals totalling £17.002m in 2018/19 for consultation. Cabinet now needs to consider whether or not to make any changes to these proposals in light of the outcome of the consultation.
- 5.3 The overall savings proposals, totalling some £17.002m as summarised below include specific service savings, cross cutting items, invest to save items and a reduction in the contingency budget. These are detailed in Appendix D.

Table 4 – Summary of Savings proposals (as at 14th December 2017)

Savings	2018/19 £’000
Specific service savings as submitted for budget consultation	10,252
Cross cutting savings as submitted for budget consultation	1,055
Invest to save savings as submitted for budget consultation	4,295
Reduction to the contingency fund	1,400
Total (as detailed in Appendix D)	17,002

- 5.4 As with previous years, the Corporate Management Team will ensure that the Sustainable Swansea crosscutting savings targets are allocated to specific Heads of Service and cost centres for delivery during the course of 2018/19.
- 5.5 Details around the currently assumed proposals for Council Tax levels are shown in section 9 of this report.

- 5.6 Details around use of the Council's Reserves, contingency and inflation provisions are shown in section 8 of this report.

6. Outcome of Budget Consultation Process

Budget consultation Results

- 6.1 The annual budget consultation ran from 14th December 2017 to 2nd February 2018. The consultation included a public survey available online and in hard-copy in council venues. We also undertook targeted consultation activity around the Social Services charging proposals, letters were sent to those affected and support offered within services from staff. Overall we received 1158 responses to the survey. We also held a children and young people's Big Conversation event attended by 80 pupils. A full summary of consultation results can be found in Appendix E. The consultation on social services charging was included within the separate report to Cabinet.
- 6.2 The EIA process has been running continually through the budget process. The EIA report is attached as Appendix F. Cabinet will be kept updated on any potential issues that may arise as part of the budget implementation process. We will continue to publish each EIA report with the relevant corporate report at: <http://www.swansea.gov.uk/eia>
- 6.3 Cabinet and Council will need to consider the response to consultation and the EIA report and demonstrate how we are taking account of the feedback. This is particularly the case, of course, if we are minded to proceed with any proposals where there is a significant majority of those responding opposed to this, bearing in mind that consultation feedback is just one of the factors that we need to consider when making difficult budget choices

Main Results from the survey:

- 6.4 The survey provided the opportunity for people to have their say on:
- Future funding of services
 - Funding approach to Education
 - Specific budget proposals

Future funding of services

- 57% Would you be prepared to pay more for some services rather than lose them?
- 78% Would you prefer for the Council to deliver services in a different way rather than lose them?

Education

- 71% agree with our approach to the funding of education

Specific proposals

- 6.5 The majority of proposals were supported by respondents. Areas which received the highest levels of objection and agreement are outlined below:

Agree

- **93% agree** – Commercialise the use of the arts wing in the Grand Theatre
- **89% agree** - Introduce targeted free parking offers on certain days during the year in non-city centre car parks
- **88% agree** - Maximise the use of the Park of Rides sites e.g. offering private companies staff parking, introducing seasonal parking tickets, introducing annual parking permits
- **87% agree** - Retention of the recently trialled rapid response fly tipping team.
- **87% agree** - Review all existing and new care packages in line with the new requirements of the Social Services and Well-being Act

Disagree

- **53% disagree** - Reducing the learning and outreach programme for galleries and museums
- **49% disagree** - Provide a more suitable outreach programs for youth clubs by removing our Satellite youth club provision
- **49% disagree** - An increase to Council car park charges. Increase between 5p and 30p depending on car park and length of stay

Other Correspondence

We received a letter on behalf of the members at Bishop Gore School in objection to the proposal to charge staff to park on school grounds during working hours. A copy of the letter can be found within the Budget Consultation Results report attached as Appendix E

Children and young people event: The Big Conversation

- 6.6 The Big Budget Conversation was the 5th annual consultation with children and young people on the Swansea Council budget proposals. The event gave 80 pupils from 12 secondary schools across Swansea an opportunity to consider a number of budget proposals that Swansea Council have to make in order to meet the required savings target. The full outcome of the Big Conversation can be found within summary of consultation results
- 6.7 The Council recognises every child's right to be heard in decisions that affect them, and to ensure a quality experience for children and young people.

The event gave young people a chance to have their say on:

- Future Generations Act
- Views on the Council and its budget
- Specific Budget Proposals

The consultation was aligned to the corporate public budget consultation, attendees were given the opportunity to comment on a maximum of 6 proposals, therefore the number of responses received per proposal differs.

Specific Proposals

6.10 Agree

- Keep the Rapid Response Fly Tipping Team (25 responses – 23 agree, 2 disagree)
- Reduce the number of flower beds – (24 responses – 21 agree, 3 disagree)
- Swansea Council should make changes to its car parking system to save and raise money – (35 responses – 33 agree, 2 disagree)
- Review all care packages to make sure they are in line with the Social Services and Well-being Act – (22 responses – 22 agree, 0 disagree)
- Introduce a pre-paid card system so people can use direct payments to pay for their care – (20 responses, 14 agree, 3 no opinion, 3 disagree)

Disagree

- School meal price increase (25 responses – 1 agree, 24 disagree)
- Reduce box office hours and brochure only available digitally – (15 responses – 1 agree, 14 disagree)
- Close the Grand Theatre in August – (27 responses – 9 agree, 18 disagree)
- Reduce the learning and outreach programs for galleries and museums – (21 responses – 2 agree, 19 disagree)
- Removal of satellite youth club provision – (15 responses – 6 agree, 9 disagree)
- Remove funding for Enterprise Officers – (24 responses - 1 agree, 23 disagree)

Schools Budget Forum

- 6.11 The views of the Schools Budget Forum have been received and need to be taken into account by Cabinet and Council before the budget is finalised. See letter at Appendix G.

Summary

- 6.12 Finally, Cabinet is asked to note that, as part of the budget consultation process:
- An account of the consultation responses will be placed on the Council's website
 - The detailed consultation responses have been sent to the relevant Head of Service to:
 - Reply to any particular responders as appropriate, for example, community groups, Assembly Members
 - Where appropriate, build the comments into the implementation of the proposals, subject to these being agreed by Council.
- 6.13 Cabinet is requested to consider the outcome of consultation and to agree whether or not to make any change to the savings proposals in Appendix D.

- 6.14 As previously agreed, engagement on the delivery of the objectives in *Sustainable Swansea, fit for the future* will continue during 2018.

Changes proposed to the budget in this report

- 6.15 As a result of the public consultation Cabinet will need to consider whether it is minded to make any further recommendations to Council on its final proposals for the 2018/19 budget.

7. Staffing Implications

Background

- 7.1 The Cabinet Report of 14th December 2017 set out the latest estimate (**work on this is continuing and the number is likely to change**) of the impact of the current proposals on total staffing numbers for 2018/19 as set out in **Table 6** (shown as Full Time Equivalent (FTEs))

Table 6 – Impact of Savings Proposals on FTEs 2018/19

Service Saving Proposals	FTEs
Resources	17
Place	20
People	11
Total	48

- 7.2 The Council is committed to continue to work closely with Trade Unions to minimise the number of compulsory redundancies.
- 7.3 The S188 Letter was sent out on 14th December 2017 and consultation with Trade Unions ran until 1st February 2018.
- 7.4 Eight meetings have taken place with the Trade Unions since the S188 was issued; with further meetings scheduled as and when required.
- 7.5 It should be noted that consultation will be undertaken on a rolling basis outside the normal budget cycle, as the outcomes from commissioning and other reviews are presented to Cabinet. Consequently, in some Service Areas, it was not possible at the time of the formal meetings with the Trade Unions to give details of the precise impact on staff and the figures quoted were, therefore, overall estimates. Future meetings with Trade Unions will be used to provide more detail when this becomes available as future options are agreed.
- 7.6 It should also be noted that in view of the fact that the Resources Directorate has to make a further £3m of in year savings, fresh consultation commenced with the Trade Unions and Staff on 22nd January 2018, with further meetings scheduled during the 45 day period, i.e. until 8th March 2018. This has

resulted in a total of 61 posts being at risk. However, due to work undertaken by management in utilising vacant posts, bumped redundancies and approving further ER/VRs, this number as at 22nd January had reduced to 26.

- 7.7 A reduction in posts in 2018/2019 will be unavoidable, given that the Council spends over 40% of its overall budget on employees (significantly more in some Service Areas).
- 7.8 As achieved and evidenced in previous years, and continuing the Council's current policy, every effort will be made to minimise compulsory redundancies. Management action includes:
- *Tight management of vacancies so that we manage the deletion of posts via natural wastage over time*
 - *The use of fixed term appointments where a post needs to be covered*
 - *Stopping the use of agency staff unless a clear business case can be made*
 - *Redeployment and retraining wherever possible*
 - *Further encouragement of staff to consider ER/VR options, including bumped redundancies and a time limited enhanced ER/VR offer*
 - *Encouraging staff to work flexibly e.g. reduce hours or job share*
 - *Flexible retirement*
 - *Redeployment Open Days for staff*
 - *Enhanced redundancy payment (maximum of 45 weeks). This currently applies to applications approved before 31st March 2018 and with end dates up to 30th June 2018.*
- 7.9 The groups of staff likely to be most at risk (no options can be ruled out at this stage) are those affected by service savings, those in management/supervisory posts and those employed in business support functions.

Issues

- 7.10 The Trade Unions have raised some concerns in relation to the level of information provided to them, and the timing of the proposals, which includes the service savings proposals for each service area, which includes details of where the posts at risk are.

Unison have now submitted a formal response to the budget proposals.

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

- ERVR applications
- Not filling vacant posts
- Flexible Working requests, i.e. reduced hours
- Flexible Retirement
- Redeployment
- Bumped redundancies

These figures will be updated on an ongoing basis.

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

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

Consultation Period and Notice Periods

- 7.11 The formal staff consultation period ended on 1st February 2018; although consultation meetings with the Trade Unions will continue as and when necessary.

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

After any redundancy selection process has been completed, displaced staff will then be served with their contractual notice which could range from a 4 week period up to 12 weeks, which depends on the employee's length of service.

The formal staff consultation period of the Resources Directorate will end on 8th March 2018 and therefore no redundancy notices will be served before this date.

8. Reserves and Contingency Fund Requirement

Background

- 8.1 It is a requirement of the Local Government Finance Act 1992 that authorities have regard to the level of reserves when calculating their Budget Requirement. Whilst there is no prescribed statutory minimum level of reserves, account should be taken of the strategic, operational and financial risks facing the Council.
- 8.2 In assessing the adequacy of reserves account needs to be taken of the following general factors:
- treatment of inflation and interest rates
 - level and timing of capital receipts
 - treatment of demand led pressures
 - expected performance against challenging budget requirements
 - treatment of planned efficiency savings / productivity gains
 - financial risks inherent in major capital developments and funding
 - the availability of reserves, government grants and other funds
 - general financial climate to which the authority is subject

In addition, whilst the Council is making some progress towards rebalancing the budget for 2017/18 and beyond, there remains potential volatility until March 2018, but a draw from General Reserves at year end is considered inevitable. Any consideration on use of reserves to fund the 2018/19 Revenue Budget is dependent on the level of confidence in predicting 2017/18 Revenue Outturn and the overall draw from those reserves. At present it remains the case therefore that there should be ordinarily be no planned use of general reserves for future budgets (but see below re late notice of loss of specific grants).

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

8.3 In considering reserve levels Members should have specific regard to:-

- The report of the Section 151 Officer to Council on 26th October 2017 'Review of Revenue Reserves'
- The guidance issued by Welsh Government and circulated to all Members advising on methods that might be employed when reviewing the overall reserves of the Council.

General Reserves

8.4 The General Reserve amounted to £12.360m at 1st April 2017.

8.5 The Revenue Budget for 2017/18 approved by Council on 23rd February 2017 assumed no transfer from General Reserves to support the budget. Any final determination on the use of reserves will depend on the outturn position for 2017/18, however as referred to in paragraph 2.6 it is now assumed to be likely that approximately £3.4m will be required to be taken from the General Reserve to fund the forecast overspend in 2017/18.

8.6 At this point in time, given the substantial uncertainty around specific grant losses, it is proposed to transfer £1m of the General Fund Balance to support the 2018/19 Revenue Budget. If those grant losses are rectified by Welsh Government then the draw from the General Fund balance should not proceed.

Therefore the level of General Fund balances estimated at 31st March 2019 would be £8.000m. This is considered the absolute minimum level acceptable given the relative size and scale of the Council's operations and revenue budget and is only proposed because of the impact otherwise of large scale, especially education, specific grant losses.

Contingency Fund

- 8.7 The 3rd quarter financial monitoring report detailed several forecast uses of the Contingency Fund in 2017/18. At this time, it is anticipated that the £5.4m budgeted contribution in 2017/18 will be fully expended and/or used to fund the Council's final outturn position. Given the overall position as forecast in the 3rd quarter budget monitoring report for 2017/18 considered elsewhere on this agenda, the forecast Fund balance as at 31st March 2018 is nil.
- 8.8 In assessing the value of the Contingency Fund requirement in 2018/19, the following potential requirements are relevant:
- (a) The risks and issues detailed in Section 11 below.
 - (b) The need to provide a potential source of finance for the ER/VR scheme (given it is extended until 30 June 2018), together with the need to fund any redundancy costs arising from service reorganisation bearing in mind the Council has now retained only limited Earmarked Reserves for this purpose.
 - (c) The poor outlook for Public Finances as set out in the Cabinet report on 14th December and summarised in the MTFP report elsewhere on the agenda.
 - (d) The expectation that any emerging additional inflationary pressures beyond the large already budgeted items (National Living Wage, pay awards) will be a call on the fund in year.
- 8.9 Bearing the above in mind, together with the proposals in respect of funding current year service pressures within the 2018/19 base budget, which continues to maintain reduced levels of risk, it is recommended that the contribution to the Contingency Fund in respect of 2018/19 is reduced to between £3.5m and 4m, depending upon any budget decisions Cabinet is minded to recommend. Again this is considered the absolute minimum range necessary to be maintained in light of the likely costs of the ERVR scheme until 30 June 2018.

Earmarked Reserves

- 8.10 The Council retains earmarked reserves for specific purposes. The reasons for holding these reserves are documented and are subject to ongoing review and scrutiny. The forecast transfers to and from reserves are summarised in Appendix C.

On 26th October 2017 Council received and approved a report detailing a formal review and re-allocation of Earmarked Revenue Reserves of the Council.

- 8.11 The Revenue Budget for 2017/18 approved by Council on 23rd February 2017 included budget provision for two separate transfers to reserves as follows:-

- £1.0m to fund a contribution to the restructuring reserve specifically in respect of the national WCCIS IT solution (Welsh Community Care Information System).
- £0.95m to mitigate any loss of specific grants that could have detrimental effects on service targets.

Allocations have already been made from this latter budget provision, especially in relation to waste grant reductions in 2017-18.

- 8.12 It is clear from analysis of specific grant approvals so far received in respect of 2018/19 that the Council is likely to face a significant reduction across a number of services in terms of specific grants.

Past experience has shown that whilst it is extant Council policy that any reduction in specific grant should be met from an equal reduction in service expenditure, there is often a lag between loss of grant and reduction in costs/change in service levels.

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

It is therefore proposed that the remaining reserve contribution of £0.3m is transferred to Place budgets to mitigate the effect of the continuing further loss of waste grant.

In addition, whilst not explicitly budgeted for on the face of the revenue account, there is an underlying planning assumption that £3m of the Restructuring Costs Reserve provisionally be committed towards meeting part of the cost of actual staffing reductions as they fall due in 2018/19 as part of the evolving reviews of senior staffing, business support, stopping lower priority services and the wider commissioning reviews.

Review of Insurance Fund

- 8.13 A further review was completed of the sums set aside to provide for future claims which are not known or only partly known at this time. Such claims can be very significant and can relate to past periods going back many years.
- 8.14 In the light of that assessment £700k was released for the three years starting with 2017/18 and was already reflected in the budget proposals previously considered by Cabinet in December 2016.
- 8.15 Furthermore, the Section 151 Officer is confident that this can be supported for an additional two years, so will now end in 2021/22.

Adequacy of Reserves

- 8.16 Whilst the proposed use of Earmarked Reserves in 2018/19 funds some recurring expenditure, taking into account the level of General and Earmarked Reserves which would be available should there be an overriding financial requirement, and the arrangements in place to monitor and manage financial risk in 2018/19 and future years, I am satisfied that the proposed management of reserves in 2018/19 will result in a forecast level of General Reserves, Earmarked Reserves and Provisions which is just adequate, subject to the potential financial implications of the risks described in Section 11 below and the final budget proposals recommended by Cabinet to Council.
- 8.17 Given the considerable risks and uncertainties facing the Council in 2018/19 and future years, it remains my advice as the officer designated with responsibility for the overall finances of the Council that the above represents reasonable prudent financial management having due regard to service pressures and funding constraints.

9. Budget Requirement and Council Tax 2018/19

- 9.1 The Council's recommended requirement is set out in Appendix A. The City and County of Swansea Requirement of £433.216m will be financed partly by Revenue Support Grant of £239.946m and National Non-Domestic Rates of £79.141m.

Based on the report to Cabinet on 14th December 2017, and in line with assumptions contained in the Medium Term Financial Plan for 2018/19 approved at Council on 23rd February 2017, a Council Tax rise of 5.0% would generate an additional sum of £6.033m, a band 'D' charge of £1,268.64.

- 9.2 Including Community Councils, the total requirement, after taking account of proposals in respect of reserve transfers and currently assumed savings, is £434.619m.
- 9.3 The above proposals are based on an indicative Council Tax rise of 5.0% which is within the range of planning assumptions of the Medium Term Financial Plan.

10. Summary of Funding 2018/19

- 10.1 The implications of sections 4, 5, 6, 7 and 8 above, together with the assumed 5% rise in Council Tax identified in Section 9 above, results in a forecast additional funding of £28.928m in 2018/19 as detailed in Table 7 below.

Table 7 – Budget Proposals 2018/19

	£'000
Savings identified per Section 5.3 above	17,002
Exclusion of Schools pressures to be funded by schools	2,698
Reserve changes (further reduction to contingency fund, restructure reserve and specific grants reserve)	2,195
Draw from General Fund	1,000
Net effect of Council tax base increase and proposed charges	6,033
<hr/>	
Overall resourcing	28,928

- 10.2 Cabinet is asked to consider whether, as a result of the consultation exercise, it wishes to make any further changes to the budget savings proposals for 2018/19 and, if so, any other consequential changes that may need to be addressed. The higher than expected increase in AEF should be seen as an opportunity to increase investment in the Council's priorities and preventative action in particular, not to slow down the pace of change or the level of required savings.

11. Assessment of Risks and Uncertainties

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

(a) Implications of specific 2017/18 overspends

The 3rd quarter financial monitoring report discussed at the Cabinet meeting on 8th February highlighted a number of service overspends. It is anticipated that remedial action already in place will serve to mitigate some of the overspends identified. Where this is not the case, then adjustment via the Contingency Fund will have to be made for any items that are seen to re-occur.

(b) Unavoidable Spending Requirements

All services will need to meet a range of additional / new pressures in 2018/19. These include the implications of new legislation; demographic changes; final completion of the single status appeals process; and other requirements. Whilst reasonable provision has been made for these costs, there is a risk that some items will result in overspends. In particular it is assumed that whilst the cost of pay protection arising out of single status implementation can be funded centrally, any additional costs that will have arisen as a result of the appeals process will have to be met from within specific existing Directorate budgets.

(c) Savings

It is essential in terms of the financial challenges facing the Council beyond 2018/19 that further savings proposals are continuously developed as part of the *Sustainable Swansea* programme and implemented over and above those proposed within this budget. This will be a continuation of plans already underway and specifically include existing and the next waves of commissioning reviews and a further particular focus on more cross cutting themes.

The 2018/19 budget includes significant and extensive savings targets which must be fully achieved. It is a requirement of the Council's financial procedure rules that Responsible Officers are required to manage expenditure within approved budgets of the Council and to that extent it is essential, should specific proposed budget savings be delayed or postponed, alternative savings are achieved in year to meet approved Directorate Budgets.

Given the nature and scale of the savings challenge during 2018/19, there will be continued and enhanced monitoring and tracking of progress in achieving budget savings which will be reported to Corporate Management Team, Financial Strategy and Transformation Group and Cabinet.

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

(d) Inflation

Where there have been specific announcements around minimum wage increases an estimate has been included around the potential additional costs that may fall to the Council from external contractors. In addition £1.0m has been provided for potential inflationary increases in areas where there is a significant element of contracted out services.

(e) Care Home Fees

Budget provision has been made for the 2017 contract settlement with care home providers. However, it is likely that fees will need to be further monitored given that the Council has to undertake an annual review of payments to care home providers which must be robust and evidenced – see specific provision for inflation above.

(f) Specific Grants

A number of specific grants are yet to be announced. In the event that the level of specific grants awarded for 2018/19 is less than that for 2017/18, which is highly likely based on limited announcements made so far, it is essential that Directorates take action to manage such reductions within the proposed spending limits – i.e. there is no ongoing corporate provision for meeting such shortfalls. There is a clear expectation that expenditure will be cut to match the level of grant. Recent experience suggests that there may be

substantial in-year reductions to grant funding streams that will require urgent and concerted action in terms of mitigation.

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

The proposals on earmarked reserves detailed in Section 8.12 of this report propose transferring the remaining balance for loss of grants to Place to replace the loss of the waste grant, this means that any future bids for funding to cover loss of specific grants will have to be made against the already significantly reduced contingency fund.

The assumption in the budget for the Ethnic Minority Achievement Unit (EMAU) is that, following recent Welsh Government indications, there will be some form of a specific grant in 2018/19, however there have been no further substantive offer details released as yet. The budget is set on the assumption that the grant will continue in some form for 2018/19 only and predominantly fund the total cost of the service. Any shortfall in funding will be a further drain on the, as aforementioned, significantly reduced contingency fund, and inevitably be a further base budget strain beyond 2018/19, if the specific funding were to then end.

In addition minor changes have now been funded by this Council from its limited budgets to ensure that where specific grants and funding relating to educating Gypsy Traveller Children and provision of school uniform grants would have otherwise ceased, these services remain in place, at least for 2018/19.

To facilitate maintaining these three areas previously funded by education grants, given the lateness of notice, it is proposed to draw £1m from the General Fund Reserve and seek to continue dialogue with the Welsh Government to urgently reverse these proposals.

In respect of the significant Post 16 Education grant reduction of £541k by the Welsh government, the budget is set on the assumption that schools will have to fully absorb their share of this grant loss (£501k). Given the size of the reduction and the late timing of the announcement this has high risk attached to it.

(g) Equal Pay Back Payments

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

(h) Implementation of Single Status

Whilst the Council implemented a compliant pay and grading structure from 1st April 2014, there has been a significant number of appeals against grades awarded. Where these appeals have been successful, it will lead to additional costs over and above the grade initially allocated including incremental costs over a period of up to five years, of which 2018/19 represents last year.

(i) Council Tax Reduction Scheme

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

(j) Capital Financing Charges

There is a risk that the funding ask (in respect especially of additional unsupported borrowing) highlighted in the Capital Budget report elsewhere on the agenda will result in additional charges over and above the agreed budget provision.

The Report on the Capital Programme for 2017/18 – 2023/24 elsewhere on this agenda highlights specific actions that need to be taken to mitigate against future increases in revenue costs linked to increases in unsupported borrowing and further externalisation of current debt.

In additional mitigation it is intended in 2018/19 to formally review at Council the policy with respect to the Minimum Revenue Provision. This has the potential to reduce capital financing charges in the short to medium term, albeit at the expense of increases in the longer term. Careful consideration will need to be given to the optimum balance to be struck having due regard to affordability, timing, future capital grant flows, future income streams and our obligations to have full and due regard to the Wellbeing of Future Generations.

- 11.2 Whilst reasonable assumptions have been made in relation to each of the above risks it is impossible to be certain that adequate funding will be available for every item. This re-enforces the need to have adequate reserves and balances available to meet any unexpected costs or shortfalls.
- 11.3 The above risks are both substantial and potentially significant in value. Therefore during 2018/19 specific actions are being put in place which will involve:-
- Monthly monitoring of specific savings targets against an agreed implementation timetable in order to identify any slippage and appropriate and equivalent compensating budget savings.
 - Ensuring compliance with the Council's Financial Procedure Rules which require Responsible Officers to manage budgets within the limits set by Council.

- The impact of any changes to specific grant funding streams.

12 Equality Impact Assessment (EIA)

- 12.1 Budget proposals continue to be subject to the Council's Equality Impact Assessment (EIA) process. Appendix F contains the Equality Impact Assessment (EIA) Statement for the Budget. The focus continues to be on mitigation of impact on the community.
- 12.2 Due to both the nature of the proposals being considered and the regulatory framework around EIAs, many now take a number of months to reach a conclusion. The budget planning process operates over a 3-year period, with many proposals being considered, designed and altered prior to implementation over this time period.
- 12.3 Officers are always advised to undertake the initial screening as early as they can, with (if required) a full EIA report then opened as soon as possible. This is then completed as proposals are worked through and means that we are now working on budget EIAs throughout the year. As a result, the assessment of impact is not a one-off exercise – it is a continuing process.
- 12.4 To ensure ongoing rigorous process, the following elements are of note:
- Where officers have concerns and/or queries, meetings are held with the Access to Services Team to look at both the proposal and the EIA
 - EIA reports are often added to over a period of time, e.g. following consultation and engagement activities, following changes to the detail of proposals
 - Quality assurance is carried out by officers with expertise in the areas of equality, Welsh language, poverty and the UNCRC
 - Where a proposal has potential adverse impacts that cannot be mitigated, the EIA is referred to senior managers for attention and consideration.
- 12.5 In addition, with a number of both commissioning and other reviews underway across the organisation, the total or overall impact of the proposed budget is difficult to fully assess at any point of implementation, particularly with the EIA process being a continuing feature as proposals are further developed. Therefore we will continue to publish each EIA report with the relevant corporate report at:
- <http://www.swansea.gov.uk/eia>

13. The Medium Term Financial Plan (MTFP) 2019/20 – 2021/22

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

14. Legal Implications

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

Background Papers: None.

Appendices:

Appendix 'A' Revenue Budget summary 2018/19
Appendix 'B' Net Directorate budget proposals
Appendix 'C' Earmarked Reserves
Appendix 'D' Specific savings proposals
Appendix 'E' Summary of consultation responses
Appendix 'F' Equality Impact Assessment Statement
Appendix 'G' Response of the Schools' Budget Forum
Appendix 'H' Directorate Budgets

	APPENDIX A	
REVENUE BUDGET SUMMARY 2018/19		
<u>DIRECTORATE</u>	REBASED	ORIGINAL
	BUDGET	BUDGET
	2017/18	2018/19
	£'000	£'000
RESOURCES	43,733	41,906
PEOPLE - POVERTY AND PREVENTION	6,282	6,378
PEOPLE - SOCIAL SERVICES	108,376	111,075
PEOPLE - EDUCATION	20,508	20,799
PEOPLE - EDUCATION - DELEGATED TO SCHOOLS	143,608	147,013
PLACE	55,134	56,605
NET DIRECTORATE EXPENDITURE	377,641	383,776
SPECIFIC PROVISION FOR INFLATION / APPRENTICESHIP LEVY	1,000	2,000
OTHER ITEMS		
LEVIES		
SWANSEA BAY PORT HEALTH AUTHORITY	84	86
CONTRIBUTIONS		
MID & WEST WALES COMBINED FIRE AUTHORITY	12,275	12,631
CAPITAL FINANCING CHARGES		
PRINCIPAL REPAYMENTS	15,316	16,066
NET INTEREST CHARGES	15,893	16,643
NET REVENUE EXPENDITURE	422,209	431,202
MOVEMENT IN RESERVES		
GENERAL RESERVES	0	-1,000
EARMARKED RESERVES	2,260	2,614
TOTAL BUDGET REQUIREMENT	424,469	432,816
DISCRETIONARY RATE RELIEF	400	400
TOTAL CITY AND COUNTY OF SWANSEA REQUIREMENT	424,869	433,216
COMMUNITY COUNCIL PRECEPTS	965	1,403
TOTAL REQUIREMENT	425,834	434,619
FINANCING OF TOTAL REQUIREMENT		
REVENUE SUPPORT GRANT	237,242	239,946
NATIONAL NON-DOMESTIC RATES	79,531	79,141
COUNCIL TAX - CITY AND COUNTY OF SWANSEA	108,096	114,129
COUNCIL TAX - COMMUNITY COUNCILS	965	1,403
TOTAL FINANCING	425,834	434,619
COUNCIL TAX BASE for the City and County of Swansea	89,465	89,962
COUNCIL TAX AT BAND 'D' (£) for the City and County of Swansea	1,208.25	1,268.64
GENERAL RESERVES		
AT 1 APRIL	12,360	9,000
AT 31 MARCH	12,360	8,000
Note - 2017/18 budget has been rebased to reflect the 2018/19 grant transfers from the Welsh Government and other in year changes		

REVENUE BUDGET 2018/19								
NET DIRECTORATE BUDGET PROPOSALS								
	Resources	People - Poverty and Prevention	People - Social Services	People - Education	People - Education Delegated to Schools	Place	To be allocated	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Original estimate 2017/18	42,708	6,068	103,814	21,108	143,608	50,763	0	368,069
Directorate Transfers	0	0	0	0	0	0	0	0
Original estimates following transfers	42,708	6,068	103,814	21,108	143,608	50,763	0	368,069
Transfer to (+) / from (-) reserves 2017/18	-839	0	-285	-60	0	298	0	-886
Original estimate 2017/18 excluding reserves	41,869	6,068	103,529	21,048	143,608	51,061	0	367,183
Transfers for specific items 2017/18	0	0	3,557	0	0	2,516	0	6,073
Baseline adjustments 2017/18	1,041	335	844	-600	0	1,880	0	3,500
Adjusted service budgets 2017/18	42,910	6,403	107,930	20,448	143,608	55,457	0	376,756
Baseline adjustments 2018/19	0	10	543	-1,068	1,203	1,041	0	1,729
Spending Needs	1,899	280	7,650	1,891	2,152	2,386	0	16,258
Pay inflation provision	650	251	1,206	497	200	1,696	0	4,500
Savings:								
Specific consultation proposals	-3,641	-566	-6,544	-969	-150	-3,733	0	-15,603
Senior Staff Savings	0	0	0	0	0	0	0	0
Original estimate 2018/19 excluding reserves	41,818	6,378	110,785	20,799	147,013	56,847	0	383,640
Transfer to (-) / from (+) reserves 2018/19	88	0	290	0	0	-242	0	136
Net Directorate budgets 2018/19	41,906	6,378	111,075	20,799	147,013	56,605	0	383,776

APPENDIX B

REVENUE BUDGET 2018/19					
EARMARKED RESERVES					
	Balance	2017/18	Balance	2018/19	Balance
	31/03/17		31/03/18		31/03/19
	£000	£000	£000	£000	£000
DIRECTORATE RESERVES					
Equalisation reserves	0	0	0	0	0
Commutated sums	-5,030	-21	-5,051	-20	-5,071
Repair & renewal funds	-3,362	-326	-3,688	-218	-3,906
Profit share	-1,218	-65	-1,283	-66	-1,349
Service reserves	-4,590	362	-4,228	318	-3,910
TOTAL DIRECTORATE RESERVES	-14,200	-50	-14,250	14	-14,236
CORPORATE RESERVES					
Contingency Fund	0	0	0	-3,450	-3,450
Insurance	-15,695	700	-14,995	700	-14,295
Transformation/Efficiency	-11,814	530	-11,284	78	-11,206
TOTAL CORPORATE RESERVES	-27,509	1,230	-26,279	-2,672	-28,951
UNUSABLE/TECHNICAL RESERVES	-877	45	-832	44	-788
SCHOOLS DELEGATED RESERVES*	-7,575	0	-7,575	0	-7,575
TOTAL RESERVES	-50,161	1,225	-48,936	-2,614	-51,550
* No updated information available - balances held by individual schools					

APPENDIX D

HoS Budget	Proposal	Savings 2018/19 £'000
Resources	Management review including all tiers, regional working and shared services, more digital working and 'mini business hubs' within other directorates	995
Resources	Service Reviews and demand management across all areas of the Directorate	597
Resources	Review and full cost recharge of Welsh Translation Service to users	160
Resources	Review funding of union representatives	72
Resources	Reduce budgeted council tax reduction scheme costs to same level as actual spend (demand led, varies annually)	500
Resources	Working commercially across the Council on income / contract spend, prioritising resources as per strategy and plan	1,150
Adult Services	Management savings across all levels within Adult Services	762
Adult Services	Review of Community Alarm Service (separate consultation)	10
Adult Services	Implement preferred options as outcome of Commissioning Review leading to reduction of in-house beds	169
Adult Services	Review of day services eligibility (separate consultation)	110
Adult Services	Maximise Income for Local Area Coordination from partners	80
Adult Services	Implement preferred options as outcome of Commissioning Review	500
Adult Services	Introduction of prepaid cards to service users to minimise potential for direct payments to be used incorrectly	150
Child & Family Services	Leaving care accommodation costs to be aligned to maximise eligibility for grant funding	150
Education	School Meal Charges - full year impact of September 2017 5p increase	23
Education	Free breakfast costs - further review of support given	69
Education	Catering and cleaning services - further review of actual costs to achieve full cost recovery	95
Education	Corporate review of terms and conditions - school staff parking charges	150
Education	School Meal prices: further increases (5p / £2.30: Sept 18; 10p / £2.40: Sept 19; and 10p / £2.50: Sept 21)	40
Education	Robust management of demands on remaining severe and complex needs budgets	261
Education	Continuing managed savings through wider impact of implementation of new models of learner support	130
Education	Further reductions in regional improvements service ring-fence consistent with funding settlements	32
Education	Further assumed reductions in Education Improvement Grant matching funding requirements	11
Education	Ethnic minority achievement service - full recovery of eligible costs from external grant	40
Education	Further review of management posts in light of changing demands and capacity issues	55
Education	Adult and community learning managed savings	80
Poverty & Prevention	Develop and spin out the Food not-for-profit Enterprise	70
Poverty & Prevention	Completion of Rights Respecting Schools Award	10
Poverty & Prevention	Reduce third sector funding via the Change Fund by 10%	25
Poverty & Prevention	Management savings	4
Poverty & Prevention	End the Enterprise Officers Contract and look for funding alignment opportunities	70
Poverty & Prevention	Joint commissioning opportunities for LGBT Youth Club provision (YMCA)	20

HoS Budget	Proposal	Savings 2018/19 £'000
Poverty & Prevention	Reduce satellite youth clubs provision (Gendros, Montana, Morriston, St Thomas, Friendship House)	40
Poverty & Prevention	Reduction in investment in Early Years	47
Poverty & Prevention	Maximise grant funding and income opportunities	145
Poverty & Prevention	Management and staffing efficiencies	60
Poverty & Prevention	Alignment of Early Intervention and Family Learning provision	20
Corporate Building	Staffing and transport savings due to more efficient mobile working	200
Corporate Building	Reduced maintenance on a number of building assets assuming a number will have been rationalised (sold, transferred to community running)	100
Corporate Property	Implement preferred options of Commissioning Reviews for Corporate Property, Cleaning Services and Cultural Services	308
Corporate Property	Additional rental income , including Liberty Stadium	400
Corporate Property	Efficiencies achieved in mail contracts	60
Culture & Tourism	Implement cost recovery by charging schools/other public sector for education services at museums and galleries	21
Culture & Tourism	Reduced staffing and opening hours at the Grand Theatre	176
Culture & Tourism	Cease Grand Theatre printed programme and concentrate on digital only	20
Culture & Tourism	Grand Theatre and Brangwyn increased income	220
Highways & Transportation	More efficient and effective transportation across all Council activities	250
Highways & Transportation	Reduced staff mileage claims as a result of a more agile and digital workforce	200
Highways & Transportation	Efficiencies in management and maintenance of vehicle fleet provision and wider highways and transportation processes	120
Highways & Transportation	Swansea Marina increased income opportunities outside of actual mooring fees	25
Highways & Transportation	Sell park and ride spaces to other employers	20
Highways & Transportation	Increased infrastructure works on behalf of Housing Department. Investment in Housing assets presents significant opportunities.	20
Highways & Transportation	Disability Crossover budget - installing dropped kerbs at junctions. Future funding from member environmental improvement budgets	20
Highways & Transportation	Increased car parking charges, set to match demand patterns, including Sunday parking	100
Highways & Transportation	Enforcement of moving traffic offences (via new technology)Investment in new technology	30
Highways & Transportation	Increases in licensing charges	5
Place - Cross Cutting	Increased fee earning activity, assuming full cost recovery	750
Place - Cross Cutting	Senior staff savings	250
Waste Management & Parks	Seek community ownership/sponsorship of flower beds	25
Waste Management & Parks	Rationalisation of Playgrounds	30
All Services	Reduce sick pay expenditure	1,000
All Services	Reimburse only half of all staff professional fees	55
Non Services	Reduction in earmarked reserves (contingency fund)	1,400

HoS Budget	Proposal	Savings 2018/19 £'000
Savings Requiring Initial Investment		
Adult Services	Review all Mental Health and Learning Disability packages of care, to ensure that they are fit for purpose and those eligible for health funding receive it (separate consultation).	500
Adult Services	Review all packages of care to ensure fit for purpose and effectively manage new admissions to residential and domiciliary care (separate consultation)	221
Adult Services	Targeted increase in recourse to direct payments as alternative to non-complex domiciliary care packages and complex care packages for Mental Health & Learning Disabilities (separate consultation)	500
Adult Services	Charging Policy and Annual Fee Increases	1,000
Adult Services	Investment in new posts to underpin the savings set out above	-564
Child & Family Services	Savings arising from the Safe LAC Reduction Strategy	3,000
Child & Family Services	Demand management ensuring Child & Family work only with those children with eligible needs requiring a Social Work intervention.	450
Child & Family Services	Implement the recommendation of the Family Support Commissioning Review and reconfigure in house Family support service.	200
Child & Family Services	Investment in new posts to underpin the savings set out above	-980
Economic Regeneration	Investment into Economic Regeneration following commissioning review with a specific focus on maximising external funding opportunities	-32
Total Savings before council tax increase		17,002

Budget Consultation Results 2018

1. Budget Consultation

Consultation on the specific budget proposals ran from 14th December 2017 to 2nd February 2018. A survey was produced detailing the council's budget proposals, giving people the opportunity to provide their feedback. In total 1,158 people took part in the budget consultation survey.

The consultation was available online at www.swansea.gov.uk/budgetsurvey and hard copies were made available in Libraries and Council venues across the City.

We also undertook targeted consultation activity around the Social Services charging proposals, letters were sent to those affected and support was offered within services by staff.

We had 3,715 visits to our Budget Consultation webpages (up 106% from last year) with 1,942 clicks through to the survey itself during this consultation. The link on Staffnet went straight to the main budget page.

Communication and Social Media

The consultation was widely promoted across Swansea within the press and social media. Example of social media can be found in Appendix 1. This resulted in:

- 10 press releases in total
- 15 media mentions, including two front page leads of the Evening Post and a number of radio mentions.
- 12 Facebook posts – with a total reach of 35,142 and 1,904 engagements
- 6 Facebook videos promoting the budget consultation resulting in 3,242 views
- 26 tweets sent out on Twitter – 70,048 impressions and 1,526 engagements

2. Budget Consultation Summary Results (full results Appendix 2)

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

- Future funding of services
- Funding approach to Education
- Specific budget proposals

Future funding of services

57% Would you be prepared to pay more for some services rather than lose them?

78% Would you prefer for the Council to deliver services in a different way rather than lose them?

Education

71% agree with our approach to the funding of education

Specific Proposals

The majority of proposals were supported by respondents. Areas which received the highest levels of objection and agreement are outlined below:

Agree

93% agree – Commercialise the use of the Arts Wing in the Grand Theatre

89% agree - Introduce targeted free parking offers on certain days during the year in non-city centre car parks

88% agree - Maximise the use of the Park and Ride sites e.g. offer private companies staff parking, introducing seasonal parking tickets, introducing annual parking permits

87% agree - Retention of the recently trialled rapid response fly-tipping team.

87% agree - Review all existing and new care packages in line with the new requirements of the Social Services and Well-being Act

Disagree

53% disagree - Reducing the learning and outreach programme for galleries and museums

49% disagree - Provide a more suitable outreach programs for youth clubs by removing our Satellite youth club provision
49% disagree - An increase to Council car park charges. Increase between 5p and 30p depending on car park and length of stay

Other Correspondence

We received a letter on behalf of the members at Bishop Gore School in objection to the proposal to charge staff to park on school grounds during working hours. A copy of the letter can be found at Appendix 4

3. **Children and Young People** (full results Appendix 3)

On Friday, 19th January 2017, 80 young people participated in the 4th Annual Big Budget Conversation, where they had an opportunity to consider a number of budget proposals that Swansea Council have to make in order to meet the required savings target.

Young people attended from the following schools:

- Birchgrove
- Bishopston
- Bishop Gore
- Bishop Vaughan
- Cefn Hengoed
- Dylan Thomas
- Gowerton
- Morriston
- Olchfa
- Pentrehafod
- Pontarddulais

Swansea Council recognises every child's right to be heard in decisions that affect them and to ensure a quality experience for children and young people.

The event gave young people a chance to have their say on:

- Future Generations Act
- Views on the Council and its budget
- Specific Budget Proposals

The consultation was aligned to the corporate public budget consultation. Attendees were given the opportunity to comment on a maximum of six proposals, therefore the number of responses received per proposal differs.

Specific Proposals

Agree

- Keep the Rapid Response Fly Tipping Team (25 responses – 23 agree, 2 disagree)
- Reduce the number of flower beds – (24 responses – 21 agree, 3 disagree)
- Swansea Council should make changes to its car parking system to save and raise money – (35 responses – 33 agree, 2 disagree)
- Review all care packages to make sure they are in line with the Social Services and Well-being Act – (22 responses – 22 agree, 0 disagree)
- Introduce a pre-paid card system so people can use direct payments to pay for their care – (20 responses, 14 agree, 3 no opinion, 3 disagree)

Disagree

- School meal price increase (25 responses – 1 agree, 24 disagree)
- Reduce Grand Theatre box office hours and make brochure only available digitally – (15 responses – 1 agree, 14 disagree)
- Close the Grand Theatre in August – (27 responses – 9 agree, 18 disagree)
- Reduce the learning and outreach programs for galleries and museums – (21 responses – 2 agree, 19 disagree)
- Removal of satellite youth club provision – (15 responses – 6 agree, 9 disagree)
- Remove funding for Enterprise Officers – (24 responses - 1 agree, 23 disagree)

Appendix 1

Cyngor Abertawe - Swansea Council
 Published by Field Max [?] · January 23 at 1:00pm · 🌐

Viewing: English ▾

More than 80 young people have had their say about Swansea Council's latest budget proposals at a special event for secondary schools. The pupils representing 12 comprehensive schools across the city gathered at Bishop Vaughan Catholic School where they examined the plans and then asked questions and delivered their own opinions and ideas. Their views will now be taken into account as part of the wider budget consultation that closes this Friday (Jan 26).

In 2018/19 the council needs to find £22m in savings but plans to commit additional money to schools and education. Swansea residents still have time to take part in the draft budget consultation before it closes on Friday by visiting: www.swansea.gov.uk/budgetsurvey

Hard copies of the consultation are available at libraries, the Civic Centre and Guildhall.



Performance for Your Post

2,937 People Reached

21 Reactions, Comments & Shares ⓘ

5 Like	5 On Post	0 On Shares
2 Love	2 On Post	0 On Shares
1 Haha	1 On Post	0 On Shares
1 Wow	1 On Post	0 On Shares
12 Comments	11 On Post	1 On Shares
0 Shares	0 On Post	0 On Shares

156 Post Clicks

53 Photo Views	3 Link Clicks	100 Other Clicks ⓘ
-----------------------	----------------------	---------------------------

NEGATIVE FEEDBACK

0 Hide Post	0 Hide All Posts
0 Report as Spam	0 Unlike Page

Reported stats may be delayed from what appears on posts

Cyngor Abertawe - Swansea Council
 Published by Patrick Fletcher [?] · December 28, 2017 · 🌐

Viewing: English ▾

SWANSEA Council is saving millions of pounds a year cutting back on paperwork and automating services as part of its modernisation drive.

Over the last few years £60m has been saved in back-office and other costs thanks to a programme that's seen extra income generated and investment in streamlining services.

Clive Lloyd, Cabinet Member for Service Transformation and Business Operations, said the council's modernisation programme is helping keep costs down to ensure its overall budget remains on track.

He said: "We've cut back on the amount of office space we need, automated more than 30 requests for services and streamlined services to reduce overheads.

"On top of that, new approaches to waste management has reduced the amount of black bag waste by thousands of tonnes and helped us meet Welsh Government targets three years early."

In the coming years the council plans to go still further in its efficiency and savings-drive to help protect frontline services and jobs.

The plans are part of the council's budget for next year and Cllr Lloyd is urging residents to participate in the consultation.

He said: "Despite all the savings we've made so far, we need to make £80m-plus of savings in the years ahead. Before we do that we need residents to tell us what they think of the proposals we're bringing forward.

"Last year hundreds of people had their say and our budget plans were strengthened as a result.

"This year we've already been listening to head teachers and allocated an extra £2.2m to their budgets to help offset the financial pressures our schools face."

Performance for Your Post

5,549 People Reached

65 Reactions, Comments & Shares ⓘ

6 Like	5 On Post	1 On Shares
1 Haha	1 On Post	0 On Shares
1 Angry	1 On Post	0 On Shares
54 Comments	46 On Post	8 On Shares
3 Shares	1 On Post	2 On Shares

613 Post Clicks

0 Photo Views	59 Link Clicks	554 Other Clicks ⓘ
----------------------	-----------------------	---------------------------

NEGATIVE FEEDBACK

0 Hide Post	0 Hide All Posts
0 Report as Spam	0 Unlike Page

Reported stats may be delayed from what appears on posts

Council Budget 2018/19: Have Your Say

The services we provide and what they cost

The Council provides services to more than 240,000 residents. These services include education and schools, care services to the elderly and disabled, care and protection services for children, waste and recycling collections, highways maintenance, subsidised public transport, leisure and recreation, environmental protection and licensing and planning.

You can find details of the many services we provide, including a full A to Z of Council services, on the following link:- www.swansea.gov.uk/residents
www.abertawe.gov.uk/preswylwyr

The Council has £400 million to spend. The vast majority of this money comes from the Government and grants, and we raise further money from council tax and income.

On average we spend £4,000 on every household in Swansea. The figures below show where our money goes (figures are in millions).

Planning for the future

Although you may have read that the amount of money we receive from Welsh Government is likely to decrease slightly next year, this has to be balanced by the fact that we expect £22.2 million of additional expenditure which is outside our control such as the nationally agree pay awards, for example.

On top of this we think that our funding from Welsh Government will reduce significantly in the coming years which means we'll have £30 million less to spend at a time when demand for services like social care is rising.

The public have already told us their priorities are schools, social services and other local service such as highways and waste . But with less money we'll have to reduce spending on these priorities whilst making bigger cuts in other areas to balance the books.

We raise over £100million in council tax each year, but this doesn't even cover the cost of our social services, let alone all the other services we provide. The overall cost of council services means simply raising council tax is not an option. So we have to take other steps.

We've already reduced our costs by transforming the council through our Sustainable Swansea: Fit for the Future programme. This includes modernising services by using the internet, reducing administration and back-office services, generating income to pay for services and helping families earlier so that we can reduce costs later on. This is expected to save £17million next year alone.

We've saved money by reducing senior staff and we've identified efficiencies and savings in services totalling over £60 million in the last three years. We're planning to further reduce management, business support and other back office costs by another £3-4million in the coming year alone.

We're also reviewing all of our services to ensure they are delivered in the best way and saving money by working with partners such as the police and health.

And the public can play their part by helping to run services, such as the successful scheme where bowlers are maintaining their greens, or by increasing recycling at home.

But it's not all about reducing spending. We want to invest in the city centre, in building new council houses, improving classrooms and delivering the City Deal with the potential to create 10,000 jobs.

Balancing all of these things will mean taking difficult decisions. We may have to close some services but if we take action now and find sustainable alternatives, we'll be able to protect more services.

That's why we want to talk to you now and get your views on how we can deliver services in the future.

Future funding of services

Due to the ongoing reduction in funding from the U.K and Welsh Governments, we have to rethink how we deliver our services.

We want your views on how we can provide services in the future:

- 1. Would you be prepared to pay more for some services rather than lose them?**
56.9% Yes
43.1% No
- 2. If yes, please state in the box below which services you would be prepared to pay towards in the future:**
340 comments
- 3. Would you prefer for the Council to deliver services in a different way rather than lose them?**
78.1% Yes
21.9% No
- 4. If yes, please state in the box below how would you like services delivered differently in the future.**
365 Comments

Budget Proposals

Education:

5. Do you agree or disagree with the proposal listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
School Meal prices: further increases (5p / £2.30 per day: Sept 18; 10p / £2.40 per day: Sept 19; and 10p / £2.50 per day: Sept 21)	28.5%	43.8%	16.4%	11.2%

Potential Implications of the Local Government Finance Settlement for Schools

The Council faces a challenging budget situation in the light of U.K Government budget decisions and Welsh Governments Local Government Finance Settlement. We have previously sought to advise schools on the financial situation and how this will impact the funding we provide to them. We indicated to schools that this could likely mean year on year real terms reductions in the region of 2.5%. The recent settlement figures, unfortunately, have confirmed the scale of the challenge.

It is also likely that the total Education Improvement Grant available from the Welsh Government next year will be reduced by around 11%. This further exacerbates the pressures to be managed by schools and the education department. Despite this challenging picture the Council remains committed, as far as possible, to continue with relative prioritisation of the delegated schools budget over recent years.

This will provide more funding than has been made available through the Welsh Government Settlement and will be significantly better in comparison with the level of cash savings which will need to be delivered across other Council services. Nevertheless, it will still present a serious challenge to schools because of the significant scale of cost pressures that have been passed to local authorities from the U.K. Government and are unfunded within the Welsh Government Settlement. These include:

- Teachers' pay and pension cost increases
- Other school staff pay and pension cost increases
- Demographic pressures as a result of increasing pupil numbers
- Other cost increases from business rates and Service Level Agreements

The overall unfunded cost pressures are estimated at between 2.5% and 2.8% for 2018-19 and around 3% to 3.5% based on Welsh Government projections for 2019-20.

Against an overall cash reduction of 0.1% in general grant funding from the Welsh Government, the Council is proposing to provide a cash increase of around 1.5% for 2018-19 towards these significant cost pressures and will continue to work with schools to enhance future sustainability through, for example:

- sharing ideas and best practice across schools
- further collaborative working, and
- working in partnership with officers to manage the wider non-delegated service cost pressures

6. Do you agree or disagree with our approach outlined above?

22.2%	Strongly agree	48.8%	Tend to agree	16.2%	Tend to disagree	12.7%	Strongly disagree
-------	----------------	-------	---------------	-------	------------------	-------	-------------------

7. Please give your views on the above here:

399

Social Services:

The Social Services and Well-being (Wales) Act ('the Act') that changed the way local councils in Wales provide social care and support. It came into force in April, 2016. It means that councils must provide information, support and services in the way that the Act sets out. The Act gives individuals and their carers more of a say in the care and support they receive. The Act focuses on helping people to stay well, to be safe from harm, to be as independent as possible and to be supported within and by their local community.

The Act has five principles:

Promoting Well-being: Working with people to understand what matters to them and helping them achieve what is important for their well-being

Voice and control: Putting people at the centre of their care; giving people a voice in making decisions about their life and control over reaching the outcomes that matter to them

Prevention and early intervention: Increasing preventative services within the community to help people to keep well and help us to know when you may need extra support to prevent problems reaching a critical stage

Co production: Providing opportunities for you to be involved in how your care and support is designed and provided

Collaboration: Strong partnership working between the various organisations and people that support you, helping you live the life you choose for longer

Added to the above, Social Services is facing unprecedented challenges in terms of the numbers of people who need to access our services and the increasing costs of providing them.

With an ageing population and better and earlier diagnosis and treatment of long-term complex conditions such as learning disabilities and physical disabilities, people are living for longer with more complex needs. This increases the number of people who at some point in their lives might need some form of formal support.

Whilst the budget for Social Services has decreased slightly over the years, the costs particularly in the independent sector have increased significantly due to the key pressures linked to the costs of for example paying the national living wage, increased national insurance and pension contributions.

The increase in people needing support and the costs of providing it will continue to increase, so we need to get smarter in terms of how we support people. In line with the Social Services and Well-being Act, we need to encourage people to be as independent and self-supporting as possible so we can concentrate our services on those who really need them.

In order to meet the requirements of the Act we have to do some things differently:

8. Do you agree or disagree with the proposals listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Review all existing and new care packages in line with the new requirements of the Social Services and Well-being Act. Care packages will become more focussed on achieving the outcomes that matter to people depending on their circumstances and needs; including effective use of equipment and telecare services. This may mean that some people have either more or less care, depending on their individual circumstances and needs, but we will ensure that nobody is left without the care they need	37.7%	49.0%	7.9%	5.4%
In order to increase citizens' voice and give people direct control over the care they receive we propose to actively promote the use of direct payments as an alternative to traditional care provided by local authority services. We will make it easier to use direct payments by introducing a pre-paid card service	28.3%	42.5%	15.7%	13.5%
In order to promote well-being, review our services in line with Councils Commissioning Review processes so the services that we deliver or we ask others to deliver on our behalf meet the best possible outcomes for people. This might mean some changes to our services, such as our approach to providing technology to support people in their homes, how we provide residential and day services for older people and how we provide services for younger adults with physical disabilities, learning disabilities and mental health concerns	27.3%	48.8%	13.2%	10.6%

Poverty and Prevention:

9. Do you agree or disagree with the proposals listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Replace grow local grants with investment in a community enterprise company	16.5%	50.4%	21.6%	11.5%
Provide a more suitable outreach programs for youth clubs by removing our Satellite youth club provision at St.Thomas, Morriston, Gendros and Montana in18/19 and Friendship house in 2019/20	14.7%	36.0%	34.8%	14.5%
Remove funding for Enterprise Officers (who provide support for young entrepreneurs) based in Gower College	27.2%	27.7%	31.9%	13.3%

Cultural Services:

10. Do you agree or disagree with the proposals listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Reducing the learning and outreach programme for galleries and museums.	16.2%	30.8%	34.6%	18.4)
Bring the Grand Theatre in line with other theatres by closing during August. It will still be available for hire.	25.1%	40.5%	19.5%	15.0%
Improve our digital box office offer which will allow us to Reduce box office hours at the Grand Theatre 40% less	39.4%	42.8%	10.2%	7.7%
Produce the Grand Theatre brochure in a digital only format	34.5%	34.5%	19.9%	11.2%
Commercialise the use of the arts wing in the Grand Theatre to increase usage	53.6%	39.8%	3.3%	3.3%

Highways and Transportation:

11. Do you agree or disagree with the proposals listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Freeze car parking charges within the City Centre during the construction stage of the city centre redevelopment	52.6%	29.6%	11.6%	6.1%
Introduce targeted free parking offers on certain days during the year in non-city centre car parks	54.6%	30.7%	8.7%	6.1%
Introduce targeted free car parking periods (e.g. after 3pm) on certain days per year in the City Centre	57.0%	32.3%	6.1%	4.5%

An increase to Council car park charges. Increase between 5p and 30p depending on car park and length of stay. The council will take a graduated approach to charging so those car parks with lower levels of usage will see lower increases in charges	18.9%	32.0%	24.2%	24.9%
Modify Sunday parking charges to reflect the needs of shoppers and traders. 50p for the first 2 hours, £2 all day parking	36.8%	36.3%	12.6%	14.3%
Maximise the use of the Park of Rides sites e.g. offering private companies staff parking, introducing seasonal parking tickets, introducing annual parking permits	51.0%	36.8%	5.3%	6.9%

Waste Management and Parks:

12. Do you agree or disagree with the proposal listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Review the provision of flowers beds, reducing the number of flower beds whilst protection our green flag status. Seek community ownership and sponsorship opportunities where possible	31.4%	39.1%	18.3%	11.1%
Retention of the recently trialed rapid response fly tipping team. The team will be responsible for checking hot spots and tackling incidents of fly-tipping across Swansea when they have been reported to the council	47.5%	39.7%	7.5%	5.3%

Any Other Comments:

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

193

The Big Budget Conversation

Bishop Vaughan // 9.30AM – 2PM // 19th Jan 2018

80 Young People 12 Secondary Schools

We received
58 positive comments
34 negative comments
about the budget proposal presentation.

Young people were asked what they thought of the questions on the budget.

We received
44 positive responses
37 negative responses

We received **65 main messages** that young people want to communicate to the council

Young people made
38 other comments
about the budget.

Young people recorded
116 initial thoughts
about the budget proposals.

1,828 opinions
were gathered in
one exercise.

Young People evaluated the budget questions and the session itself.

"...Surely there's a better, more socially productive way to distribute that money?"

"More voluntary work to reduce money"

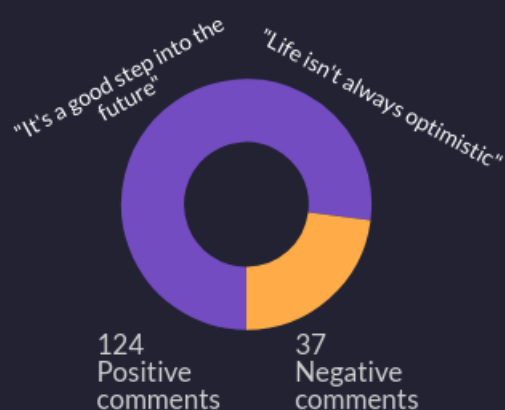
"Need more opportunities to ask questions"

"Spend now to save later"

Young people's views on the budget questions, the councils intentions and areas where they could input their views will be passed on to Consultation Coordinators in Swansea Council. It is the role of elected Councillors to implement decisions and bring about change based on the views of young people.

The Future Generations Act

Young people responded to the Welsh Government's video.



Young People voted and had a say on the topics that were important to them.

Topics included: school meals, sustainable schools, day services for younger and older people, direct payments, park and ride, social care, entrepreneurship, outreach programs, the arts, youth clubs, and the environment...

How can Swansea Council use technology to improve the services it provides to the public?

Responses: 7

- Have all forms and documents online
- Instead of wasting money on things we don't need, we should invest in poverty-stricken areas
- Like Cardiff, Swansea's bus stops should have an electronic timetable which displays how long there is until the next bus arrives. E.g 'The next bus is the number 22 to City Centre and will arrive in 5 minutes'
- Advertise interesting things in Swansea
- Technology should be used but not in place of people's jobs
- They could use ipads to show live action pamphlets of each attraction in Swansea. Smore is where you could make a live pamphlet with videos.
- More electronic billboards / street advertisements to enable to council to make more money from local companies by increasing the price of adverts and having more of them to display.

Swansea Council should change the way it delivers some services.

Responses: 2

- There's many ways to save money for services. E.g. decrease opening hours for services that are not used regularly.
- I agree with this ^

Swansea Council should cut/lose/get rid of some services.

- No responses

Swansea Council is proposing another price increase of school meals from next year. 5p from Sept 18, 10p from Sept 19, 10p from Sept 21. What do you think of this?

Total responses: 25

Positive responses (agree with the price increase): 1

Negative responses (disagree with the price increase): 24

- The price of school meals is too expensive as it is – I say they stay as they are
- Should be at least £2.30p
- I disagree with this ^
- I strongly disagree with the price increase
- If they can be reduced, they should stay the same
- I believe that these increases are really expensive
- School meals are too expensive for what they are. I pay that much for a McDonald's which is better.
- I agree with this ^
- Prices for food are getting expensive and it needs to be reduced
- I agree with this^
- Oh, hell no
- This person gets it ^
- Defo, not if anything is cheap
- I strongly disagree because some parents don't have enough money to give to their children for food every day

- Shoot pigeons to stop poop on cars – free bird meat in schools
- Retweet this ^
- School meals are already expensive enough
- I personally think that the prices for food should be lowered because it costs me £3 just to have a meal to fill me up
- I think they should stay the same
- I agree that the meals are already quite expensive, it is hard for families who are less fortunate to pay for their children to have dinners
- School meals are becoming too expensive. Maybe do a survey to see what food people want to help cut down on waste.
- For the foodies ^
- Hell, no. I strongly disagree because even now is expensive enough to increase. Please make it cheaper.
- I think school meal prices should not increase
- I disagree with the idea and think the prices should stay as they are.

Would you be prepared to pay more for some services instead of losing them altogether?

Total responses: 21

Votes for YES (10)	Votes for NO (6)
Yes for sports facilities Athletics and sport Sport Sports facilities Depends what it is Yes, depends Maybe Depends Depends on what it is Yes	Depends Nah, leave it as it is It depends on the service Depending on the service It depends on if I need the service or not No, no, no, no, this is not OK
What services would you be willing to pay more for?	What services would you not be willing to pay for?
Sports Sports facilities Music service in schools	Youth clubs Youth clubs

Do you have any suggestions about how we can reduce costs within the Social Services?

Responses: 4

- More volunteers to help with
- Volunteers
- Open charities
- Donations

Swansea Council should help schools pilot and set up sustainable plans for the future.

Responses: 1

- I strongly agree

The Social Services and Well-being (Wales) Act ('The Act') means that councils must provide information, services and support. Swansea Council should review all existing and new care packages to make sure that they are in line with The Act.

Total votes: 22

Agree: 22

Disagree: 0

Comments: 16

- If they are going to bring in The Act and want it to be a success then they need to make sure people have one list/path to follow
- We can make people feel supported by offering them money to support their educational needs (e.g. in university/college)
- It should be advertised and shown to everyone not just people in a problematic situation so in any case when they enable it they know what to do
- Yes, I agree
- Yes, I agree
- Of course they should care of
- Agree
- Yes, if it's out of order and proven less useful then it's no use
- Obviously
- Agree
- Yeah, I agree
- I agree
- I don't know
- I don't understand what this question means
- This is difficult to understand
- Strongly disagree

Swansea Council should reduce the box office hours at The Grand Theatre by 40% by using a digital box office instead. The Grand Theatre brochure should only be available in a digital format.

Total votes: 15

Agree: 1

Disagree: 14

Comments: 14

- It gets rid of a simple job that might only provide minimum wage. Is this considerably beneficial?
- Closing down the box office (for a few hours) would reduce job opportunities.
- No because the website is hard to use plus in the box office you get better deals
- More jobs so no
- Keep the jobs
- Keep the jobs
- Keep the jobs but use a digital brochure
- What about people who can't access the internet?
- Disagree
- People have jobs and they're being taken over by robots
- There should be a brochure on paper for people who can't access the internet
- Yes because they can save money by not paying wages to them people

- Would result in loss of money
- If someone's internet is not working they won't be able to gain access to tickets. Websites can be faulty, not letting someone buy their tickets etc

Swansea Council should bring The Grand Theatre in line with other theatres and close during the month of August. (The Theatre will still be available for hire).

Total votes: 27

Agree: 9

Disagree: 18

Comments: 16

- The theatre is where many people make money, without funding they will be stuck
- I care about my musicals and they improve tourism
- Closing the theatre during the time when tourism is at its peak is, quite frankly, a stupid idea. We can earn much more if we advertise The Grand Theatre.
- I love musicals
- Why would closing and losing money benefit?
- It shouldn't close as it is the summer holidays and children would want to see a play
- Nah to the ah to the no no no
- This is controversial
- They should save money and put whatever shows they would have had on a different day
- Swansea theatre doesn't have to be the same as other theatres
- Why August?
- I don't mind, only if it's cheap
- Is this beneficial? Considering other theatres close, wouldn't it increase its popularity?
- If it would close then it should stay closed and not to rent
- Gives workers a break
- Young people are off from school – entertainment

Swansea Council should reduce the learning and outreach programmes for galleries and museums.

Total votes: 21

Agree: 2

Disagree: 19

Comments: 13

- The outreach programmes aren't essential as we learn thoroughly with the school environment
- We should charge people to use museums. Money by the council should be spent better elsewhere.
- Have schools help children to learn to raise and/or save money to go on trips
- If people have a real passion for art there are plenty of classes and places to go and see art for free. This could save the council money.
- They are enjoyable but not everyone will think this
- They are educational
- They are educational

- They should not. These programmes are important and allow people to grow.
- No because they can learn more
- Wales should be on par with other countries when it comes to displaying our unique heritage and culture
- They should reach out to people
- If the council reduce learning and outreach programmes for galleries this could result in a loss of understanding of Swansea's history and culture.
- Galleries and museums enable the younger generation to learn about Welsh culture and heritage. As well as this, galleries and museums are an effective way of raising money through tourism. Why would you close them?

Swansea Council should keep the Rapid Response Fly Tipping Team who respond when the public report incidents of fly tipping across Swansea.

Total Votes: 25

Agree: 23

Disagree: 2

Comments: 13

- #savetheenvironment
- I agree because fly tipping is bad for wildlife and the environment but also there should be more bins around
- It will encourage them faster but it still won't look nice
- Perhaps to save money and keep services running
- The Fly Tipping Response Team should be 2 times a week
- If Swansea is unattractive there will be no tourism and there will be less money in Swansea's economy
- This is important but there should be more of an effort to prevent this from having to happen. E.g. education on recycling and more people picking up rubbish outside their houses.
- Use money for rapid response ambulance helicopters, not fly tipping
- That is a charity ^
- My point, give money to them as well ^
- It encourages the fly tippers to continue as their rubbish is being cleared away for them and they are not facing consequences
- I think there should be more recycling bins like in the city centre
- Wales has a very tight-knit community and in the areas where there is fly tipping, the community will officiate and punish the fly tippers

Swansea Council should reduce the number of flowerbeds but still protect our Green Flag status. The Council should find sponsorship for flowerbeds and support communities to look after their own flowerbeds.

Total Votes: 24

Agree: 21

Disagree: 3

Comments: 17

- Many people do volunteer work, some people might love gardening but not be able to have their own garden. These can also be groups of people who would benefit from gardening because it can be therapeutic.
- I like flowerbeds
- I think this is important

- Environment should be a priority
- Yes, because sponsorship would significantly reduce the money spent by the council
- Yes, I agree
- Yes, make it pretty
- I agree with supporting communities to keep their flowerbeds
- I love flowers
- Agree – have more flowers because it makes the city look pretty
- Who really cares? It doesn't contribute. I would prefer more facilities to be honest.
- More flower beds
- The flowerbeds support wildlife
- The council should focus on more important things
- I think people could volunteer to plant the flowers
- Don't waste money on them
- They shouldn't because flowerbeds make the town lively

Swansea Council should provide more suitable outreach programs for youth clubs by removing our satellite youth club provision at St. Thomas, Morriston, Gendros and Montana in 2018/2019 and at Friendship house in 2019/2020.

Total votes: 15

Agree: 6

Disagree: 9

Comments: 12

- No because children need to have fun locally
- There is no need for youth clubs as most of them are unattended anyway
- Small clubs have a bigger impact
- There needs to be more youth clubs
- There should be more
- There should be more advertisements about them
- Need to raise awareness of youth clubs before closing them – I have never heard of Friendship House
- Youth groups should stay open because they are places where children can socialise rather than stay home on their computers. Youth groups should be advertised more.
- I disagree strongly because with the smaller clubs if there are more clubs more people could have fun but without travelling the distance
- More youth clubs in new areas
- Do youth clubs have a benefit? Can they lead to trouble for young people?
- There needs to be more clubs like this and more effort to make the ones that exist bigger and better

Swansea Council should remove the funding for Enterprise Officers (who provide support for young entrepreneurs) based in Gower College.

Total Votes: 24

Agree: 1

Disagree: 23

Comments: 13

- Disagree because the entrepreneurs will have an opportunity to foresee what they may be good at
- Young adults need support in life and help on how to do things
- No, it is beneficial to young people
- To get a true feeling of entrepreneurship, the council should not mother and instead let them fail and learn from their mistakes
- Helps increase business in Swansea
- They should be encouraged if that's their career path
- No because children need to learn about business
- No, it helps the next generation to get into business
- I think it is a good idea and should not be removed, especially for primary schools
- The council shouldn't fund it unless there is any other funding. These experiences inspire people to have their own business, bring more money into Swansea's economy
- It should be funded because there will be more opportunities
- It enables people to be independent
- Are there more entrepreneurs as a result of this? Capitalism forces people to choose a safe and secure route, so less people are likely to be entrepreneurs anyway.

Swansea Council should make changes to its car parking systems to save and raise money.

Total votes: 35

Agree: 33

Disagree: 2

Comments: 17

- Not by much
- Yes because they would save a lot of money
- Parking should cost
- If done well they could raise lots of money
- Why does it cost so much money for a run-down car parking space?
- Parking should cost
- Parking shouldn't cost anything
- People will be dissuaded by high price rates
- No, parking is a rip-off currently
- I disagree
- Parking is already expensive
- Parking doesn't need to cost anything
- Why is parking priced at all?
- I agree because some people don't have much money
- It's too expensive. Why is it expensive? The shop aren't making money because of car parking
- It depends on if they're raising money or not
- I agree

Swansea Council should offer Park & Ride spaces to private companies and offer seasonal/annual parking tickets to encourage people to use more park and ride facilities.

Total votes: 28

Agree: 25

Disagree: 3

Comments: 7

- Not many people use it, it's cheap anyway so no need
- Pensioners and people unable to work should receive free travel (or discounted ticket price)
- Seasonal tickets and annual tickets should be offered to working class people.
- Helps global warming #savetheplanet
- Global Warming
- It will help the environment and global warming
- The system in Swansea should change to allow both of these to go hand in hand, saving money and creating space for buildings by outpricing parking and encouraging the park and ride scheme, you can achieve the former and reintroduce the failed bendy bus initiative that has already cost the council a lot .f money
- Example: a social worker costs £400. It's free up to the first £300 so the receiver of care pays £100.
- It depends on the care. Elderly people should have it for free if they have worked all their life.

Swansea Council should introduce a pre-paid card system so people can use direct payments to pay for their care.

Total Votes: 20

Strongly Agree: 1

Agree: 13

No opinion: 3

Disagree: 3

Strongly disagree: 0

Comments: 3

- If care is require, it should be paid for by the government
- Different councils should have different price plans depending on how much money the county has
- It's easy access to pay with portable cash

What did you think of the questions about the budget?

Positive responses: 43

Mixed responses: 2

Negative responses: 38

Very good	General things that need changing in Swansea	Great amount of questions for us to think about
Good x 6	Good to help people get	Relevant x 2

	involved	
Enjoyable	Made me think	Something to think about
Interesting x 3	Set out well	Alright
Covered many areas	Covered a lot of problems	Valuable
Simple to answer	Important	Influential
Good questions for the age band	Questions and games engaged people	Reasonable
All focussed on things that allow people to enjoy the city	Good	Easy to answer
Easy to understand	Made me think	We must be challenged to speak up
It challenged us to speak up	Good	Made me think about what can be done
Appropriate	I now understand the pressures on the government	I'm happy with where the money is going
Most were easy to understand		

Good idea but I didn't understand what they were asking me
Fun to go around but I didn't get some of them

Hard to understand	Didn't really understand	Made me annoyed at some of the council's ideas
Hard to answer	Not enough questions	Should be clearer
Good questions but not enough discussion	Could have been explained more	Confusing at the start but the staff helped me to understand
Confusing at the start	Confusing	Hard to understand because of the vocabulary
Wanted a discussion	Could have been worded easier	Could have been explained differently
Good to get our opinion across	I wanted to say something but there was no question for it	Should be worded differently
Challenging as they have many answers	Not that interesting	Should be more specific
Could have been worded simpler	Should have been on technology instead of paper	Too hard wording
Could have been discussed	Difficult to understand for year 7	None focussed on poverty
some of them were slightly off subject	Could have been more thought-provoking	Wording hard
Needed more background info and explanation	they were good but some of them were slightly off	Hard to answer

	subject	
Not phrased in a clear way	Questions about issues I was not aware of	

What is the main message you want to communicate to the council?

Total comments: 65

- There should be more opportunities such as The Big Conversation for youngsters to express their opinion to the council.
- There should be more awards for youngsters in Swansea for good citizenship and community work.
- How much money goes into the world?
- Spend more money on education.
- Get the tidal lagoon as long term it will generate profit.
- I would like to talk about the litter problem in Swansea.
- We need to modernise schools for the future generation.
- Get the tidal lagoon in order to save money.
- Instead of building an arena, help people in poverty.
- We need to get more involved in what's going on.
- We want to get involved a lot more.
- Spend the money wisely.
- Stop wasting money and sort out recycling.
- Anything that could help the social.
- Focus on poverty-stricken areas.
- Watch your budget and spend less of it.
- Do not spend money on things which are not needed (prioritise).
- There isn't enough money for helping poverty,
- More money should go to those in poverty.
- Spend more money on parks and youth clubs.
- Money should be spent on poverty.
- Saying you are not cutting school budgets and raising the cost of everything is not an improvement. You are only saying school budgets aren't being cut for the cameras.
- More money should be spent on educational needs like trips and labs.
- Don't spend money where it isn't needed, e.g the stadium/arena.
- The money should be spent on the right things not pointless things that could be avoided.
- They should put the youth's opinion over clearer and invest in such things as poverty and human rights.
- School budgets.
- Not enough money spent on poverty.
- Think about an effective strategy that will have more advantages than disadvantages.
- Prioritise what and how much money goes to what.
- The difference between wants and needs.
- Needs v wants.
- Nothing because everything I needed was done and spoke about.
- Think about projects and focus on the future as well as the present.

- Think before you build.
- Keep listening to us.
- Take it one step at a time and care about us and other young people's future and the effect you have.
- Give us more money all over.
- They need to offer attractions in Swansea
- How much money goes into the world?
- Allow 16 year old to vote.
- Reduce use of paper in schools.
- Votes at 16.
- More eco-friendly plans like improving public transport and reducing the price of it.
- More money should go into youth groups and poverty.
- Instead of using money on digital equipment, the budget should be spent on poverty-stricken areas.
- They shouldn't spend money on unimportant things. Money should be spent on sports, for example inviting 'Welsh Athletics' to come and help children to keep fit for competitions.
- Instead of books in schools we could use ipads and just use google docs and then we wouldn't have to move around classrooms.
- Find better ways to budget the money, for example, unnecessary road works or works to the city centre.
- Don't cut education and social services. I think there should be cuts to the waste, roads etc and more money put into council tax support to prevent more crimes and accidents.
- Investigate the households that are receiving benefits to see if they are being given too much money, thus being disadvantaged from trying to find a job (if they are able).
- Money shouldn't be spent on unimportant things. Money must be spent on education because there is no point in offering jobs if people haven't been taught about the subject.
- Mental health awareness and LGBT+ Rights.
- Young people's ideas must be considered and listened to. This should be done by holding similar conferences in order to discuss the ways in which the council wants to spend its money.
- Let the children choose – most of the money is given to education and so affects the children that receive the education.
- Instead of 1% funding for poverty, give more towards addressing poverty and ending it
- How can young people get their voices heard without the right to vote for council members at 16? The focus is primarily on adults and in my opinion it's very unfair.
- More money should be spent on education.
- The council have less budget and are helping education.
- Reduce parking fees
- At the last Big Conversation we discussed the prevalence of poverty in Swansea, and established this as severe issue. With this considered, why does the council intend to spend a large amount of money on unnecessary structures (the 3500 seater arena) that we frankly do not need? Surely there is a better, more socially productive way to distribute that money?

- Don't use so much paper in schools and try to use reusable methods eliminating waste paper e.g. stamps onto books.
- The tidal lagoon is the best way forward.
- They should recreate old buildings into businesses for more employment.
- Please don't make an arena.

What else would you like to say about the budget?

Total comments: 38

- More money should be invested into poverty and awards/rewards for youngsters/outstanding youngsters in the community.
- The budget is too low for education.
- There could be more schools as the population is growing rapidly.
- We need more money for the things the council want to do.
- Put more money into education.
- There could be more invested in free activities.
- There could be more investment in free activities and getting schools involved.
- I believe it might be used to buy unimportant stuff.
- Equality between the unpopular departments.
- The budget should be spent on essential things not luxuries like the arena.
- Some things are under budgeted.
- I was surprised at how much money we have managed.
- The government should provide us with more money to spend.
- I was surprised at how much the budget was.
- Not spent wisely.
- The budget granted is huge but I believe that it might be used to do unimportant stuff.
- Focus on finding jobs not building un-needed things.
- Some things are under-budgeted.
- Mental health care.
- Prioritising money is very important.
- You need to look at needs v wants when buying/planning/building.
- Spend the money on good beneficial things like education.
- It's good for Swansea.
- Stop decreasing.
- There's not enough budget.
- More of the budget needs to go to the leisure centre.
- The budget should be shared out and not given small amounts.
- It is quite worrying about the cuts being made.
- If money was spent now to prevent future problems it could eventually save money.
- Spend it wisely.
- The Tidal Lagoon would be very beneficial because it would allow the area to create more job opportunities
- The Tidal Lagoon will save money. Don't axe the music service.
- Please listen to our thoughts on the subject, specifically the element about music and the arts; cutting these budgets is a huge loss. More importantly again, I'd like to underline how bad I think it would be to charge young people for care services.

- The budget is big but it is used on useless things.
- Maybe less spent on social services.
- I understand that tourism is an important contributor to our economy; however, I believe the council should aim to improve the lives of people within the city before spending large amounts of funding on the encouragement of holidaymakers and tourists.
- Too much money is given to the Fire Service. I feel that firefighters should become retained in areas such as Sketty and that more attention should be on fire and collision prevention.
- I have talked to many people about the tidal lagoon and they all thought it was the best way forward > our future > our choice.

Appendix 4

BISHOP GORE SCHOOL

YSGOL YR ESGOB GORE



Headteacher: Mrs Helen Burgum, B.A (Hons), M.A (Ed)

23/1/18

Dear Sir/Madam,

On behalf of our members at Bishop Gore school and as a response to the information we were given on Monday 22nd January regarding the council's proposals to charge staff to park on school grounds during working hours, we would like to make the following points:-

- It is an unfair tax based on incremental staff salaries.
- It is being used as a way to prop up diminishing school budgets.
- It is discriminatory against staff who use their own cars, as opposed to other modes of transport which may not be possible.
- Staff already buy equipment for pupils such as pens and pencils, because they do not have the bare essentials for teaching and learning.
- Parking facilities are uneven, unmarked, unsupervised and inadequate for staff numbers currently working on site.
- Staff will not pay these parking charges, preferring instead to use free parking areas within the local community, therefore straining relationships.
- Staff are expected to transport large quantities of books to mark, between home and school, which will not be possible when cars are off site.
- Charges are calculated annually and staff are on site approximately 39 weeks per year.

In conclusion, we wholeheartedly disagree with these proposals.

Alison David - NASUWT

Jennifer Harding-Richards - NEU

Neil Thomas - UNISON



De La Beche Road, Sketty, Swansea. SA2 9AP

Tel: 01792 411400 Fax: 01792 411800

Email: contactbishopgore@bishopgore.net

Website: www.bishopgore.net Twitter: follow us on twitter.com/bishopgore



Cyngor Abertawe
Swansea Council

**Equality Impact Assessment (EIA) Statement for Swansea Council's Budget
2018/19**

1. Introduction

This statement provides an overall view of the budget EIA process for the Council, along with any specific relevant details for 2018.

The budget is set for the council's operation which covers a wide range of services delivered to the citizens of Swansea. This includes both providing and commissioning of services from other organisations and agencies.

As reported previously, the council has needed to take substantial action to respond to the wide range of service and financial pressures that it faces, including the reduction in external grant.

We, like other local authorities, will be facing a significant reduction in budgets every year for the foreseeable future. We also need to manage increased expectation and demand for services and financial pressures in a number of areas across the Council.

Although the amount of money we receive from Welsh Government is likely to decrease slightly next year, this has to be balanced by the fact that we expect £22.2million of additional expenditure (which is outside our control) such as the new apprenticeship levy, for example. We also believe that our funding from Welsh Government will reduce significantly in the coming years which means we'll have £30m less to spend at a time when demand for services like social care is rising.

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

The authority embarked on a specific strategy 'Sustainable Swansea - Fit for the Future' as a means of setting Council priorities, transforming services and addressing current and future deficits.

The council agreed a set of budget principles to help guide the debate and provide an approach driven by council policy.

There are four key issues:

- Improving efficiency
- New models of delivery
- Prevention
- Future service provision

Further information on 'Sustainable Swansea - Fit for the Future' is available at: <http://www.swansea.gov.uk/sustainableswansea>

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

2. The Equality Impact Assessment (EIA) process

The council has had an EIA process in place for a number of years which was reviewed and streamlined for the second time last year. The process covers:

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

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

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

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

The process does not change for specific budget proposals.

3. Assessing impact

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

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

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

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

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

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

Therefore, we will continue to publish each EIA report with the relevant corporate report at:

<http://democracy.swansea.gov.uk/ieDocHome.aspx?bcr=1&LLL=0?Lang=eng>

4. Consultation and engagement

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

Corporate budget consultation takes place on a wide variety of specific proposals. This includes consultation with children and young people. Others are consulted on using service-specific groups and/or activities.

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

5. Local information

Our stakeholders are:

- All citizens of, and visitors to, the City & County of Swansea
- Council staff
- Partner organisations
- Council Tax Payers.

The Council delivers services to all the citizens of the City & County of Swansea. The overall population profile from the latest population estimates (2015) and 2011 Census is as follows:

- The gender split of the **City & County of Swansea** is **50.1% Female** (121,500 people) and **49.9% Male** (120,900 people).
- Children and young people **aged 0-25 years** represent **32.8%** of the population, or **79,500** people.
- **Over 50s** represent **37.5%** of the population (90,900 people), of which **46,800** are over 65 (around 19.3% of the total population).
- **6.0%** of the total population of Swansea (**14, 300** people) came from an ethnic minority background. In terms of religion, **8,530** people (**3.6%** of the population) belonged to non-Christian faiths with 34% (81,219 people) having no religion.
- **23.3% (55,719 people)** had a long term health problem or disability including 11.3% of people of working age (26,988 people). **6.9%** of those aged 16-74 (**12,146 people**) were economically inactive due to long term sickness or disability.
- In 2011, there were **26,332** Welsh speakers in Swansea, or **11.4%** of the population. **44,659** people had one or more skills in Welsh.

Further information about Swansea's population can be found at <http://www.swansea.gov.uk/keyfacts>

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

6. Staffing

The Cabinet report in December 2017 referred to 48 posts throughout the Authority which included 17 in the Resources Directorate. With regard to the Resources Directorate, these 17 posts were considered along with additional savings that had to be made, which equated to 61 posts. This number has been subsequently reduced to 26 as a result of ERVRs, Bumped Redundancies and deleting vacant posts. The total number of posts considered at risk currently is therefore 57, some of which do have direct links to equality related work

7. Third Sector Impact

Any reduction in grants to external bodies may impact Third Sector organisations. There could also be other proposals that may impact the sector which, if agreed, may require re-configuring or re-commissioning of services. In this context there may be opportunities for Third Sector organisations to be involved in this work. There could also be proposals that look to Third Sector support in the continuation of services through different means of delivery.

8. Publication Arrangements

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

9. Conclusion

We know from previous years that, due to the scale of budget reductions, those with protected characteristics are likely to be affected. In assessing the impact of the budget proposals, we continue to attempt to ensure that any effect is not disproportionate and that we continue to focus on mitigation wherever possible. In this context the following should be noted:

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

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

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

APPENDIX G

PONTYBRENIN PRIMARY SCHOOL
HEADTEACHER/PRIFATHRO: Mr P S Williams



Glyn Rhosyn
Gorseinon

SWANSEA
SA4 6HX
Tel/Ffôn: 01792 891151
01792 891053

Email/E-bost: Pontybrenin.Primary@swansea-edunet.gov.uk
Web Site/Gwefan: www.pontybreninprimary.com

Dear Councillor Stewart,

The school budget forum formally responds to the education budget proposed for April 2018-March 2019 with the following observations:

1. Swansea schools continue to provide excellent value for money and have above average ESTYN inspections compared to any other local authority within the education consortium, even though the monies distributed to Swansea schools compare unfavourably to other local authorities in the consortium and indeed across Wales.

The forum understands that part of our poor funding position, reflects the nature of the formula used by Welsh Government to allocate Revenue Support Grant to Councils and the way that this is heavily weighted to local authorities where 'sparsity' is a strong factor.

This funding position seems to be further exacerbated by the way in which grant funding is allocated to authorities through the regional consortia, as this again seems to disadvantage schools in urban settings. In simplistic terms, Local authorities such as Swansea and Neath Port Talbot who are more urban in nature get less money per pupil than the other four Local authority regions in the consortia.

This situation has a negative influence on providing a broad and balanced curriculum. For example, a school in Carmarthenshire with 600 pupils will receive far more money than a similar sized school in Swansea. This is due to the 'perceived' need to give greater amounts to schools where the geographical landscape is sparse i.e. Rural settings

The forum appreciates and acknowledges that the leader of learning in the cabinet and the chief education officer are working hard to change the funding formula that the consortium adopts. However when you have six chief education officers, four of whom represent local authorities that are 'sparse' in nature, the forum wonders how successful the two representatives of the urban authorities are going to be in changing the formula funding to a more equitable per pupil formula across the regions in the future. The forum acknowledges the level of challenge faced to bring about a change and has every faith that they will continue to face up to this challenge and try to elicit a positive change for Swansea.

It is the forums understanding that there is a move to a more centrally defined future structure for ERW across the six local authorities with less direct involvement of the local authorities.

This is a significant concern for the Forum as is anticipated that the financial situation for Swansea is going to get worse. This is maybe something that needs investigating and the forum is happy to use any resources at it's disposal to help ensure a better settlement for Swansea.

2. Head Teacher colleagues at the School Budget Forum recognise that the Local Authority is in an invidious position when setting a budget for education. They appreciate that funding levels devolved from Westminster to Welsh Government are far from generous, and that in turn the funding delegated to Swansea is not enough to cover the significant demands and cost pressures the Authority's services face. They also realise that it would be impossible for the Council to address all of Education's needs without significantly cutting funding to other services to a level that would mean they could not function, let alone function effectively.

Nevertheless, whilst there are difficult choices for the cabinet to make, it is the Budget Forum's role to advocate for Education in Swansea and to raise awareness of how the potential decisions Councillors might make, will affect schools and their communities. The council is heartened to hear Councillors say that they are committed to Education, and that the relative prioritisation of school budgets is very much welcomed, however, given some of the recent events, there are questions as to how deeply embedded and principled the commitment is.

Do we want our children in education to have more limited opportunities to find and develop their talents in schools because head teachers cannot offer the same opportunities due to financial restrictions?

Whilst the Forum supports the Council's bid to be recognised as a 'City of Culture', the forum would consider that the culture should be recognised as a culture of learning, where there are high expectations for the young people of Swansea to succeed, backed up with strong financial investment by the council to schools and high quality learning and creative opportunities.

The forum recognises that the council's desire to generate a local economy that is attractive to large I.T. businesses, who will invest their money into a skilled workforce, is a bold and positive move, but if we are to be at the forefront of new technological innovations, we will need a workforce that is local and capable to fill these essential posts. Only if we invest in education and schools will this result in ambitious, capable, enterprising and healthy constituents of the future.

As a Forum, we do not accept the majority of constituents are more interested in refuse collections and street lights staying on. We feel the constituents want the younger members of their family to prosper and achieve success through apprenticeships and qualifications that cannot be taken away from them, but will be their passports for success in their lives. If the Council's consultation with constituents contained more focussed questions, relating to this and its prioritisation, perhaps the responses would see education given a higher status in responses.

As well as considering future potential, the forum believes that with diminishing real terms financial resources, the current excellent performance of schools is unsustainable in the short and long term future. Many schools have been projected to have a deficit budget in 2018/2019 and anticipate severe financial difficulty. Schools are already cutting back on staff

and in turn, creative learning programmes, this can only impact negatively on the excellent work being done and the standards achieved.

3. Your recent presentation to the head teachers of Swansea, proposing a relative prioritisation of education was welcomed by all stakeholders. You stated at the time that schools could be assured of a £2.2 m cash increase in the delegated schools budget and that if there was any additional funding in the final local Government finance settlement then this would also be passed on fully to schools. You hoped at the time that this might bring the cash increase to around £3.5m. So it is pleasing to see that in your recent media interviews <http://www.itv.com/news/wales/2018-01-11/headteachers-warn-schools-in-wales-are-at-breaking-point-due-to-budget-cuts/> you stated that schools can expect to receive additional funding of £3.5m.

The Forum presumes that this amount reflects the level of additional funding received in the final financial settlement and honours the commitment you gave at the Headteacher meeting to pass on any such additional funding. The forum would simply ask for confirmation that schools will indeed see a £3.5m cash increase in the delegated schools budget next year.

However, I have been asked to raise with you the fact that other comments made in the same media interview have raised concerns.

You referred to there being 'no cuts in education.' Whilst this may well be the case in terms of cash cuts, this is certainly not the case in real terms. Schools will still need to cover the increased pension contributions expected of employers as well as the cost of the Local Authority's generous pay award offered to LSA's and the associated on-costs that will go with this award. There will undoubtedly also be other costs to be covered in addition to these. Whilst the forum recognises that a £3.5 m cash increase in the delegated schools budget is considerably more than the funding that might be expected following the financial settlement provided by the Welsh Government to Swansea, it nevertheless would still represent a real terms cut for schools once all the cost pressures are considered. These amount to well in excess of £4m, or 3% as we understand it, whereas even the higher £3.5m cash increase you have stated would be lower at around 2.5% for all schools across Swansea.

With regard to the 'Fair Funding Campaign', it was hoped that the message sent out to parents from all schools in Swansea be communicated supportively by the council and that your previous commitment to 'carefully manage future media messages' would be respected and enacted. As such we believed that there was a collegiate point of view agreed professionally between schools and the council, and this would be conveyed by public support during media coverage. However, in the interview you gave, this does not appear to be the case and many have found this to be disappointing.

As broadcast, your interview appeared to be suggesting that the funding issues highlighted by the 'National Fair Funding Campaign' did not apply to Swansea. However, whilst we recognise the clear relative prioritisation of Education budgets in recent years, schools nevertheless continue to face significant real terms reductions in funding and considerable financial challenges. In the current financial year, the funding of schools in Swansea is still ranked as 18 of 22 Local Authorities across Wales. Schools in many other authorities continue to be funded at a higher level, and so the campaign for fair funding is most relevant to Swansea schools. This position continues to be a disappointing one.

It may not have been your intention in the interview which you gave in the morning at county hall, to give somewhat conflicting messages, your responses certainly give a different perspective to that given to parents at the fair funding campaign on the same night. Many parents were pleased to see you at the meeting and some recorded on their mobile phones your public conversations with the audience on the fair funding campaign.

Until now school leaders have embraced the improved communication and frank discussions with officers and the cabinet in moving education forward together as a Local Authority. However, the impression given by the interview, coupled with the surprise announcement of car parking charges in schools, i.e. no consultation with the groups who have worked hard with the authority to make meaningful changes to funding and spending, has eroded confidence and trust that we are working together to solve the challenges faced by all.

Whilst appreciating that perhaps the intention of introducing a parking fee in schools is intended to generate income to schools, it would seem that the possible impact of such a move has not been thought through. As schools have delegated funding and powers to decide on expenditure and income generation, should this not be a Governing body and not a Council decision?

Moreover, the forum would not consider this to be deliverable in practice.

Forum concerns include the fact that, where it is an option, staff are likely to use public highways where this is an option, causing issues for local residents. Schools are likely to see an increase in the cost of travel expense claims, in fact resulting in increased expenditure. The fee will also be seen as a tax on working in school with the loss of goodwill.

The Forum also asks if it has been confirmed that it would not conflict with national terms and conditions? How will the money be collected and passed to schools? Also, as indicated in 67 head teacher replies to the school budget forum in November, if employees within schools were afforded the same rights as other employees (agile working/ flexitime) of the council, they would not argue with the car charge. If the council are expecting staff to pay for parking in line with other services, can schools expect that repairs will be paid for in the same way that those who work in the main buildings are not expected to contribute to repairs of the Civic Centre.

These are just a few practical issues that do not appear to have been adequately considered. The forum would also seek confirmation and on-going evidence that such a charge would be extended to all council staff and not just school based staff, as you assured headteachers at the budget meeting.

Delegation of powers means total delegation of powers. It is important to note that none of the other 21 local authorities have proposed such a scheme as a local authority whole scale directive.

In conclusion, it is important to note that the Joint Finance Group has regularly met this year with Local Authority Officers to analyse the way in which all schools are funded through the Swansea schools funding formula, so that it is based on strong principles and as far as can be achieved, meets the needs of the pupils in our care. This level of understanding I feel is sector leading across the consortium and one that could help the consortium look at their own funding principles in the future.

It is also noteworthy is the fact that service level agreements (SLA's) have been closely scrutinised with significant challenge given to the managers of each service. So whilst charges to schools have significantly increased as a whole with pay and other cost pressures, the close scrutiny has identified reductions in costs of a number of service level agreements which have totalled over £69000. This has brought about efficiency savings and effective working for schools and Local Authority departments alike. An example of good practice must continue in the future, as it has proved beneficial to all schools.

The forum would wish to invite you to the next meeting, but mindful that this is quite a few weeks away, would suggest that these concerns could be considered further as part of the forthcoming Education Strategy Group agenda.

Lastly, I hope the details provided in the forums response are carefully considered and that financial investment in Swansea schools does not portray a 'graveyard of ambition' but a forward thinking council that gives Swansea schools first priority, not relative priority.

Yours Faithfully,

Philip Williams

(Head teacher and Chair of the School Budget Forum)

Revenue Budget 2018/2019

Resources Directorate

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Resources Directorate		
Resources Directorate	166,200	215,300
Central Training	284,200	230,700
Corporate Customer Services	982,500	1,031,200
Corporate Training	273,800	246,700
Welsh Translation Unit	256,200	107,200
	1,962,900	1,831,100
Head of Commercial Services		
Commercial Team & Procurement	638,700	670,200
	638,700	670,200
Head of Comms & Customer Engagement		
Access to Services	265,000	239,300
Communications	183,700	211,900
Corporate Marketing	297,500	330,600
Corporate Mgt Team Support	358,800	366,900
Design and Print	222,200	240,200
Commissioning Review	-28,000	-28,000
Senior Staff Reductions	-84,000	-84,000
	1,215,200	1,276,900
Head of Financial Services & Service Centre		
Audit	666,100	620,500
Benefits	23,425,900	23,915,700
Finance DMT	344,500	373,900
Financial Services	1,408,800	1,396,500
Pensions	-41,000	-23,000
Performance and Delivery	260,600	281,700
Revenues	274,200	471,100
Service Centre	1,979,300	2,044,000
Treasury and Technical	518,100	531,300
Commissioning Review	15,000	15,000
Senior Staff Reductions	-147,000	0
	28,704,500	29,626,700

Revenue Budget 2018/2019

Resources Directorate

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Head of Human Resources & OD		
Health and Safety	938,100	1,017,600
Human Resources	638,100	622,700
Commissioning Review	-56,000	-56,000
Senior Staff Reductions	-175,000	-93,000
	1,345,200	1,491,300
Head of Digital Services & Transformation		
Departmental Management Team	356,600	308,300
Digital Services & Business Improvement	3,413,000	3,088,300
Digital Solutions & Infrastructure	3,401,000	3,901,500
Commissioning Review	-9,000	0
Senior Staff Reductions	-152,000	0
	7,009,600	7,298,100
Head of Legal & Democratic Services		
Complaints	224,100	231,300
Coroners	482,500	624,800
Democratic Services	2,700,100	2,501,000
Information Governance Unit	0	40,000
Legal Services	1,818,000	1,884,100
Overview and Scrutiny Unit	217,600	224,800
Commissioning Review	-19,000	-19,000
	5,423,300	5,487,000
Sustainable Swansea-Corporate Directorate		
Workstreams	-2,873,900	-5,597,900
Senior Staff Reductions	-177,000	-177,000
	-3,050,900	-5,774,900
Total Resources Directorate	43,248,500	41,906,400
Rebasing : Inter Service transfers/virements	484,700	
Rebasing : 2018/19 funding/responsibilities	0	
Total Resources Directorate	43,733,200	

Revenue Budget 2018/2019

People Directorate - Poverty & Prevention

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Head of Poverty & Prevention		
Adult Prosperity & Wellbeing Service	1,086,500	960,400
Early Intervention Services	788,300	1,035,900
Partnership Performance & Commissioning	1,889,500	2,164,800
Poverty and Prevention	422,300	237,000
Young Peoples Services	2,091,700	2,034,900
Senior Staff Reductions 17/18	-146,000	0
Poverty & Prevention Staffing Savings	0	-55,000
	6,132,300	6,378,000
Total People Directorate - Poverty & Prevention	6,132,300	6,378,000
Rebasing : Inter Service transfers/virements	149,700	
Rebasing : 2018/19 funding/responsibilities	0	
Total People Directorate - Poverty & Prevention	6,282,000	

Revenue Budget 2018/2019

People Directorate - Social Services

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Head of Adult Services		
Central Services	436,000	530,400
Service Strategy and Regulation	660,100	716,050
Disability Residential & Day Care	6,994,000	7,036,250
Learning Disabilities & Mental Health Support	11,945,400	17,849,150
Integrated Services - Domiciliary Care & Hubs	18,604,900	19,626,250
Integrated Services - External Residential	13,307,100	14,494,100
Integrated Services - Other	2,473,900	2,979,000
Older Persons Residential and Day Care	6,711,700	6,981,150
Safeguarding/Wellbeing Support	3,525,200	2,225,050
Commissioning Review	2,738,000	3,665,400
Senior Staff Reductions	-139,000	-669,000
	-362,000	-457,400
	66,895,300	74,976,400
Head of Child & Family Services		
Accommodation Services	17,289,000	16,411,550
Aftercare	894,900	849,000
Assessment and Care Management	11,546,200	12,888,750
Family Support Services	3,397,400	3,475,800
Regional Services	2,141,900	2,177,150
Residential Care-Internal Provision	519,700	525,000
Commissioning Review	-11,500	0
Senior Staff Reductions	-402,000	-228,650
	35,375,600	36,098,600
Total People Directorate - Social Services	102,270,900	111,075,000
Rebasing : Inter Service transfers/virements	-951,500	
Rebasing : 2018/19 funding/responsibilities	7,057,000	
Total People Directorate - Social Services	108,376,400	

Revenue Budget 2018/2019

People Directorate - Education

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Delegated Schools		
School Cost Centres	143,607,660	147,013,217
	143,607,660	147,013,217
Chief Education Officer		
Mgt & Admin Effectiveness	101,300	129,900
Schools At Risk	240,056	109,056
SIPD	17,000	0
WJEC Subscriptions	36,000	36,000
	394,356	274,956
Head of Strategic Planning Improvement Group		
Management Systems Unit	176,200	184,400
Improvement and Monitoring Unit	133,000	95,200
Broadband & Cloud Technology	410,000	400,000
Learning Portal Team	80,500	48,500
Stakeholder Engagement Unit	215,300	196,800
	1,015,000	924,900
Head of Achievement & Partnership Service		
Education Improvement Service	1,331,300	1,178,100
Welsh Service	45,000	39,600
	1,376,300	1,217,700

Revenue Budget 2018/2019

People Directorate - Education

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Head of Vulnerable Learner Service		
Head of Learner Support Service	115,200	103,300
Behaviour & Learning Support	1,113,800	1,117,000
Home Tuition Service	489,000	341,500
One To One Support	796,300	735,573
One To One Support Secondary	395,800	0
Psychology Service	726,400	702,600
Recoupment/Out of County	1,780,000	1,750,000
SEN Statementing & Support	3,165,800	3,156,600
EOTAS	2,927,400	3,240,200
Pupil Referral Units	1,687,300	1,807,800
School Transport - Special	806,900	1,094,200
Catering Staff Canteen	0	0
Cleaning Services	120,300	119,760
Free Breakfast	588,700	519,700
School Meals Service	-92,700	-41,900
Contr. To Swansea Safeguarding Children Board	14,000	14,000
Miscellaneous Grants	0	67,400
School And Governor Unit	384,500	394,000
School Transport	5,557,700	5,682,700
School Transport Continuing Education	561,200	561,200
Welfare Service	536,100	621,200
Youth Offending Team	55,300	0
Ethnic Minority Achievement Unit	98,300	949,000
West Glamorgan Music Service	129,200	142,600
Senior Staff Reductions 17/18	-98,000	0
	21,858,500	23,078,433

Revenue Budget 2018/2019

People Directorate - Education

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Head of Education Planning Resource Service		
Additional School Support	78,100	78,200
Capital Planning & Delivery Unit	352,085	377,725
Continuing Education & Pensions	500,900	501,000
DfES Post 16	-5,748,745	-5,207,945
Education Improvement Grant for Schools	719,744	703,418
Empty Properties	15,600	16,800
Funding And Information Unit	82,700	91,400
Health & Safety	100,000	84,500
Management & Admin-Planning & Resources	100,000	101,700
Non Delegated Primary - Pensions, Insurance & Public Duties	2,755,300	2,295,426
Non Delegated Secondary - Pensions, Insurance & Public Duties	3,259,600	3,155,900
Non Delegated Special - Pensions, Insurance & Public Duties	40,500	41,600
Pupil Deprivation Grant	-6,646,700	-7,011,930
Retained DfES Post 16 Funding	115,000	75,000
	-4,275,916	-4,697,206
Total People Directorate - Education	163,975,900	167,812,000
Rebasing : Inter Service transfers/virements	139,900	
Rebasing : 2018/19 funding/responsibilities	0	
Total People Directorate - Education	164,115,800	

Revenue Budget 2018/2019

Place Directorate

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Head of Corporate Building & Property Services		
Facilities Management	3,462,200	2,597,200
Strategic Estates Properties	-2,179,400	-1,751,000
Property Preventative Maintenance	3,540,000	3,464,300
Corporate Building Services Trading	1,496,800	1,727,900
Community Budgets	676,400	720,400
Senior Staff Reductions 17/18	-90,000	0
	6,906,000	6,758,800
Head of Highways & Transportation		
Car Parking and Enforcement	-2,266,800	-2,937,300
Transportation	4,403,000	4,730,600
Traffic Management	991,100	1,079,600
Central Transport	-617,900	-657,300
Engineering	605,600	477,600
Highways	6,743,400	7,067,500
Swansea Marina	-75,300	-81,400
Directorate and Other Costs	471,200	175,500
Senior Staff Reductions 17/18	-207,000	0
	10,047,300	9,854,800
Head of Waste Management & Parks		
Household Waste Recycling Centres	723,900	748,800
Parks	4,594,100	5,101,000
Recycling	1,947,300	4,230,400
Residual Disposal/Tir John	3,682,800	3,688,600
Residual Waste Collection	2,832,900	2,948,200
Trade Refuse	-193,000	-192,700
Neighbourhood Working	3,978,300	4,463,500
Directorate and Other Costs	922,000	856,400
Senior Staff Reductions 17/18	-70,000	0
	18,418,300	21,844,200
Place Directorate		
Place Directorate	360,150	591,800
Workstreams	-627,700	-1,365,000
	-267,550	-773,200

Revenue Budget 2018/2019

Place Directorate

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Head of Cultural Services		
Archives	257,700	266,500
Arts	2,962,750	2,489,100
Community Buildings	218,900	205,800
Development and Outreach	218,800	233,900
Libraries	2,970,400	3,067,700
Sport and Recreation	1,811,900	2,596,400
Tourism, Marketing and Events	1,571,500	1,572,400
Directorate and Other Costs	382,700	428,200
Senior Staff Reductions 17/18	-174,000	0
	10,220,650	10,860,000
Head of Planning & City Regeneration		
Business Support	385,419	393,519
Property Development	636,298	581,998
City Centre Management and Indoor Market	-256,900	-295,500
European Team	0	0
Major Projects, Design and Conservation	123,500	105,100
Planning Control	675,700	614,900
Planning Policy and Environment	1,069,000	1,057,400
Directorate and Other Costs	41,583	290,683
Senior Staff Reductions 17/18	-94,000	0
	2,580,600	2,748,100
Head of Housing and Public Protection		
Building Regulations	99,700	120,100
Burials and Cremations	-560,200	-653,200
Food Safety	580,600	614,900
Licensing	-96,300	-31,400
Pollution	719,300	750,800
Public Health	786,700	827,600
Registrars	17,900	21,100
Trading Standards	586,200	613,300
Housing Grants to the Independent Sector	40,500	40,500
Housing Renewals and Adaptations	144,800	216,500
Housing Strategy, Advice and Support	1,343,100	2,055,500
Other Housing Services	690,700	472,800
Directorate and Other Costs	269,500	263,800
Senior Staff Reductions 17/18	-87,000	0
	4,535,500	5,312,300

Revenue Budget 2018/2019

Place Directorate

	ORIGINAL BUDGET 2017/2018 £	ORIGINAL BUDGET 2018/2019 £
Total Place Directorate	52,440,800	56,605,000
Rebasing : Inter Service transfers/virements	177,200	
Rebasing : 2018/19 funding/responsibilities	2,516,000	
Total Place Directorate	55,134,000	



Report of the Section 151 Officer

Cabinet – 15 February 2018

Capital Budget & Programme 2017/18- 2023/24

Purpose:	This report proposes a revised capital budget for 2017/18 and a capital budget for 2018/19 - 2021/22 (2023/24 for Band B schools).
Policy framework:	None.
Consultation:	Cabinet Members, Corporate Management Team (CMT), Legal, Finance and Access to Services.
Recommendation:	It is recommended that the revised capital budget for 2017/18 and a capital budget for 2018/19 – 2023/24 as detailed in appendices A, B C, D, E and F is approved.
Report Author:	Ben Smith
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar

1 Introduction

1.1 This report details:

- Revised capital expenditure and financing proposals for 2017/18
- Capital expenditure and financing proposals for 2018/19 – 2021/22
- Extended to 2023/24 in relation to Band B schools (to fit Welsh Government timeframes)

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

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

Appendix A Summary of General Fund Capital Expenditure and Financing 2017/18 – 2023/24

Appendix B C21st Schools Programme Band A Capital Expenditure and Financing 2017/18 – 2018/19

Appendix C C21st Schools Programme Band B Capital Expenditure and Financing 2017/18 – 2023/24

Appendix D Material changes to the original 2017/18 budget

Appendix E General Fund Capital Budget 2017/18 – 2021/22

Appendix F Total General Fund Capital Budget (including C21st Schools)

- 1.4 The pre-existing capital programme requires significant supported borrowing of £43.713m over its lifetime to enable completion.
- 1.5 The schedule outlined in Appendix D outlines the material changes to the 2017/18 approved capital programme.
- 1.6 Appendices B, C and E outline an ambitious programme of capital investment including:
 - a significant continuing programme of IT investment across CCS
 - the continued investment in Swansea Schools, including the completion of Band A Schools and implementing over several further years the Band B phase of the 21st Century Schools Programme
- 1.7 The additional capital investment identified above will attract significant grant funding (21st Century Schools and Swansea City Region Deal), however the programme will still require a material unsupported borrowing to enable completion alongside the use of capital receipts as they are realised. Furthermore some schemes have the potential to provide additional revenue streams of property income, or, subject to agreement, in due course, with Welsh Government, retained elements of non-domestic rates or possibly tax increment financing as further powers devolve to Welsh Government and then on to local government.
- 1.8 Notwithstanding this scale of ambition, each major scheme will, as is always the case, be considered on the overall merits of each business case, both in capital cost, and revenue income streams where appropriate, and unsupported borrowing will be undertaken on a phased basis within the overall envelope for affordability which is considered over the medium to long term to be up to £200m.
- 1.9 Furthermore it has to be recognised that the scale of funding proposed to be injected by this Council, leverages in significant additional sums:
 - over £90m of Welsh Government funding for Band B schools
 - a City Deal, worth, across the region, around £1.3 billion.
- 1.10 The Swansea City & Waterfront Digital District project is one of eleven projects comprising the wider City Deal. It has been developed by the Council, in partnership with University of Wales Trinity Saint David (UWTSD). The core aim of the project is to create a strong and vibrant digital city that will be the economic engine of the wider city region. There are 3 main components: a Box Village and Innovation Precinct project (led by UWTSD); a Digital Village, which includes 100,000 sq. ft. of flexible and affordable office accommodation for tech businesses (led by the Council); and a Digital Square and Arena which will deliver a 3,500 seat Digital Arena and associated developments (also led by the Council). A 5 case business model has been prepared which describes the project in great detail,

including the benefits, costs, and income derived. This information has been submitted to UK and Welsh Governments for their consideration. The Digital Square forms part of the Swansea Central redevelopment with Outline Planning Consent granted last year. An Arena operator has been procured with legal documentation to be signed on 2nd February 2018. A two stage contractor procurement exercise has also commenced with selection of a successful contractor for stage 1 programmed for May 2018. Following approval this will allow the Council to work with them then to firm up the final cost of the scheme, and subject to final authorisation and contracts, to start on site before the end of this year. With regard to Digital Village, Council officers are currently analysing bids for appointing a consultant team to review the outline design of the Tech Industries Employment Hub building, progress to RIBA Stage 4 and deliver the project to practical completion.

2 Capital Budget 2017/18-2023/24

- 2.1 Spending in the current year is forecast to be £61.284 m (GF £52.046m plus Schools programme £9.238m) – an increase of £11.012 m (see Appendix D) compared with the original estimate of £50.272 m.

This increase is due to the following:

- the addition of grant funded and non-grant funded schemes after Council approved the capital budget in February 2017, together with increases in the cost of schemes following detailed design and planning.
- the net balance of schemes carried over from 2016/17 into 2017/18 and schemes carried over from 2017/18 into 2018/19.

- 2.2 The proposed capital programme 2017/18 – 2023/24 and associated financing is set out below in 2.3 for The General Fund Programme and 2.4 for The 21st Century Schools Programme :

2.3 The General Fund Programme and Financing 2017/18 -2021/22

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

2.3.2 The Capital Budget report considered by Council on 23rd February 2017 outlined an unsupported borrowing requirement in the four year forward programme of £37.899 m made up of £12.98 m for the 21st Century Schools programme and £24.919 m for the rest of the General Fund capital programme.

2.3.3 The updated General Fund programme is summarised in Appendix A, B and C, in addition, Appendix F summarises the total General Fund programme including C21st Schools. This highlights a 4 year forward programme expenditure of £318.283m (Appendix F), including Band B Schools to 2023/24; identifying an unsupported borrowing requirement of potentially £98.252m (Appendix A). This reflects a significant increase in the unsupported borrowing requirement of the capital programme. The capital planning envelope for unsupported borrowing requires significant revenue funding to service the finance and this is set out in both the reports on the revenue budget and the medium term financial plan.

2.3.4 Phased, considered affordable borrowing, within the overall planning envelope will develop over the next 5-7 years and, in the case of the

funding, from the City Deal, the next 15 years. The major schemes added to the General Fund Capital Programme are as follows:

- 2.3.5
- Agile and Mobile IT equipment £10.4m
 - City Centre schemes (Hafod HLF, indoor market & castle Sq) £2.5m
 - Highways £1.4m additional funding per annum

2.3.6 As outlined above, the material additions in this year's GF capital programme do not include the proposed Swansea Central City Centre Development – Swansea Central and the projects associated with the Swansea City Region Deal. As the schemes develop and budgets are firmed up, the required corporate governance requirements shall be observed with the submission of individual FPR7 reports.

2.3.7 Although there is significant accompanying grant funding and City Region Deal funding for these schemes, there is still a substantial unsupported borrowing requirement to underwrite these schemes.

2.4 Schools Programme and Financing 2017/18 -2023/24

2.4.1 The Welsh Government announced its support for an agreed programme of school building improvements in early 2012. This programme – termed the 21st Century Schools Programme – is funded by a 50% contribution from the Welsh Government and a 50% contribution from the Council towards a programme Band A total of £51.46m (£51.31m C21st programme plus £150k Challenge Cymru funding). The initial 2 phases, phase 1 and phase 2 of Band A projects are in progress or complete.

C21st School Schemes (Band A)		
Phase 1 Schemes	£'000	
Burlais Primary new school build	8,035	Completed
Gowerton Primary new school build	6,706	Completed
YGG Lon Las rebuild and remodel	9,844	Completed
Glyncollen Primary improvements	750	Completed
Newton Primary improvements	650	Completed
	<u>25,985</u>	
Phase 2 Schemes		
Pentrehafod remodelling	15,076	Progressing to plan Full business case approved by WG
Gorseinon Primary new school build	6,450	Completed
Pentre Graig Primary improvements	2,724	Completed
YGG Gywr improvements	1,205	Completed
Special Schools review	20	Uncommitted
	<u>25,475</u>	
Total Phase 1 and 2 (includes £150k Challenge Cymru)	51,460	

2.4.2 The total estimated cost of the Band B programme envelope is £141.7m (excluding the potential aided sector project which is assumed to require no Council contribution). Of this total, £91m is from traditional capital funding, requiring (after allowance for realisable capital and other receipts) a net local funding requirement of £38m. The remaining £50m is proposed to be delivered through revenue funding (Mutual Investment Model), which would require no local capital funding contribution but incur an annual charge once the accommodation and facilities are completed. An equivalent local share of the capital cost would be £12.6m although the 25% local contribution would apply to the annual revenue charge

2.5 Financing the Capital Programme

2.5.1 The financing for the General Fund capital programme identified in 2.3 and 2.4 is detailed in Appendix A and requires unsupported borrowing of £98.252m towards forecast expenditure of £318.283m (Appendix F).

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

2.5.3 It is recognized that a forecast capital financing requirement of £98.252m is significant. The revenue implications of this are identified in the revenue budget and medium term financial plan on this agenda. The above programme is affordable and sustainable throughout the lifetime of the medium term financial plan subject to the risks highlighted below.

2.5.4 It should be noted that the Council makes an average annual budget provision to repay debt of approximately £14.1m (2016/17) in line with its existing Minimum Revenue Provision (MRP) Policy. The MRP policy shall be reviewed in 2018/19. The Council has taken advantage of the low interest rate and volatility in the market to externalise some of its borrowing requirement in year, though the overall strategy is to mitigate the impact of interest charges by utilising internal resources. However, noting the significant capital financing required, it is forecast that in line with good Treasury Management practice and being mindful of interest rate movements and Cashflow requirements, it is certain that actual external borrowing shall increase in the short/medium term with the associated increase in interest payments.

3 Future Schemes

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

3.2 Future discretionary projects and schemes shall only be incorporated if they are self-financing or the associated financing costs can be supported from the revenue budget affordably and sustainably.

4 Risks

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

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

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

5 Legal Implications

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

6 Prudential Code

6.1 Under the Local Government Act 2003 and subsequent regulations, a local authority is required to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities when setting its budget and must determine and keep under review how much it can afford to borrow.

6.2 A further report on the agenda will detail what is required under the requirement of the Code and set out in detail Prudential Borrowing Indicators for 2018/19 and subsequent years.

7 Equalities Implications

7.1 There are no equalities implications contained within this report but individual projects will be subject to the EIA process where required.

Background Papers: None.

Appendices:

Appendix A	Summary of General Fund Capital Expenditure and Financing 2017/18 – 2023/24
Appendix B	C21st Schools Programme Band A Capital Expenditure and Financing 2017/18 – 2018/19
Appendix C	C21st Schools Programme Band B Capital Expenditure and Financing 2017/18 – 2023/24
Appendix D	Material changes to the original 2017/18 budget
Appendix E	General Fund Capital Budget 2017/18 – 2021/22
Appendix F	Total General Fund Capital Budget (including C21st Schools)

SUMMARY OF GENERAL FUND CAPITAL BUDGET AND FINANCING 2017/18 - 2021/22 (plus C21st Schools Band B to 2023/24)

	2017/18	2018/19	2019/20	2020/21	2021/22	2 years 2023/24	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DIRECTORATE							
Resources	2,785	4,845	2,100	1,575	2,130		13,435
People	3,001		1,000	1,000	1,309		6,310
Place	46,260	33,424	21,377	14,530	13,975		129,566
TOTAL EXPENDITURE	52,046	38,269	24,477	17,105	17,414		149,311
FINANCED BY:							
Borrowing:							
Welsh Government Supported Borrowing	6,365	6,398	6,398	6,398	6,398		31,957
Grants and Contributions:							
Welsh Government General Capital Grant	3,873	3,894	3,894	3,894	3,894		19,449
Welsh Government specific grants	8,625						8,625
European grants	512	1,631	1,880	179			4,202
Other Grants	667						667
Contributions	1,876	62					1,938
Capital Receipts:							
Earmarked Capital receipts	1,974	679					2,653
General Capital receipts	3,242	9,786	8,718				21,746
Revenue and Reserve Contributions (including provision for waste schemes)	5,418	4,868	1,000				11,286
TOTAL FINANCING	32,552	27,318	21,890	10,471	10,292		102,523
GENERAL FUND BORROWING REQUIREMENT	19,494	10,951	2,587	6,634	7,122		46,788
C21st School borrowing requirement Band A (App B)	6,525	6,593					13,118
C21st School borrowing requirement Band B (App C)	184	3,979	8,542	8,581	3,683	13,377	38,346
Total GF borrowing requirement including C21st Schools	26,203	21,523	11,129	15,215	10,805	13,377	98,252

SCHOOLS PROGRAMME CAPITAL EXPENDITURE & FINANCING 2012/13 - 2018/19

	to 2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Total
Band A	Actual spend	Actual spend	Actual spend	Actual spend	Actual spend	Forecast spend	Forecast spend	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXPENDITURE								
Morrison Comprehensive Refurbishment	5,445	11,916	4,271	128	2	195		21,957
21st Century Schools Programme (Band A)								
Phase 1								
Burlais Primary new school build	17	453	5,941	1,266	94	264		8,035
Gowerton Primary new school build	16	446	2,193	3,833	136	81		6,705
YGG Lon Las rebuild and remodel		66	108	2,672	6,202	796		9,844
Glyncollen and Newton Primary improvements		393	1,007					1,400
Phase 2								
Pentrehafod remodelling				52	3,704	7,012	4,308	15,076
Gorseinon Primary new school build			51	332	11	10	2,821	3,225
Pentre'r Graig Primary improvements			97	1,117	1,429	81		2,724
YG Gwyr improvements			50	109	766	280		1,205
Secondary Review							20	20
Education other than at school new premises (brought forward from Band B)						335	2,890	3,225
TOTAL EXPENDITURE	5,478	13,274	13,718	9,509	12,344	9,054	10,039	73,416
FINANCED BY:								
Welsh Government Grant								
Morrison Comprehensive Refurbishment	5,198	10,192						15,390
21st Century Programme Schemes - grant		782	6,231	5,702	4,621	229	1,632	19,197
21st Century Programme Schemes - PB					2,343	2,300	1,814	6,457
Pentrehafod Challenge Cymru funding					150			150
Capital Receipts			104					104
Contributions	33	592	742					1,367
TOTAL FINANCING	5,231	11,566	7,077	5,702	7,114	2,529	3,446	42,665
CCS Borrowing requirement	247	1,708	6,641	3,807	5,230	6,525	6,593	30,751
CURRENT BORROWING REQUIREMENT (2017/18 TO 2018/19)								13,118

SCHOOLS PROGRAMME CAPITAL EXPENDITURE & FINANCING
2017/18 - 2023/24

	to 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	Actual spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	Forecast spend £'000	£'000
Band B									
EXPENDITURE									
Band A : Gorseinon Primary school new build (from Band A)				3,725					3,725
21st Century Schools Programme (Band B)									
Education other than at School new premises			3,979	4,466	161				8,606
Band B Schools				13,032	19,368	18,852	46,983	39,129	137,364
Site feasibility	66	184							250
TOTAL EXPENDITURE	66	184	3,979	21,223	19,529	18,852	46,983	39,129	149,945
FINANCED BY:									
Welsh Government funding									
Traditional capital grant funding				12,681	8,419	3,684	13,033	7,704	45,521
Mutual Investment Model financing					1,281	5,841	12,915	17,791	37,828
Voluntary Aided Schools					698	3,142	3,142		6,982
CCS Capital Receipts estimate								7,360	7,360
CCS Mutual Investment Model financing					427	1,947	4,305	5,930	12,609
Contributions (voluntary aided)					123	555	555		1,233
TOTAL FINANCING	0	0	0	12,681	10,948	15,169	33,950	38,785	111,533
CCS Borrowing requirement	66	184	3,979	8,542	8,581	3,683	13,033	344	38,412
CURRENT BORROWING REQUIREMENT (2017/18 TO 2023/24)									38,346

MATERIAL CHANGES TO THE 2017/18 CAPITAL BUDGET

Scheme	Source Of Funding	2017/18 Change £'000
<u>Director of Resources</u>		
Delivery & Information		
Agile Working Laptops	Revenue	477
<u>Director of People</u>		
Education Planning & Resources		
YGG Y Cwm Additional Work to Infant Block	Contribution	77
YGG Pontybrennin Additional Double Class Demountable	Contribution	29
Flying Start Capital Grant 17/18	Grant	125
Social Services		
Ty Nant Relocation	Revenue	90
ENABLE Independent Living Grant	Grant	280
Poverty		
Relocate Early Intervention Team to Alexandra House	Revenue	70
Enabling Work to House Play Bus	Revenue	40
Refurbishment Works at Ty Borfa	Revenue	145
<u>Director of Place</u>		
Highways & Transportation		
Local Transport Fund 17/18	Grant	1,110
Local Transport Network Fund 17/18	Grant	1,000
Road Safety 17/18	Grant	607
Safer Routes In Communities 17/18	Grant	219
Small Scale Flood Risk Management Schemes	Grant	68
Purchase of 6 Van Mounted Access Platforms	Revenue	370
Wheels to Work Community Transport	Revenue	47
Housing General Fund		
Sandfields Renewal Area	Contribution/Revenue/ Grant	854
Culture, Sport, Leisure & Tourism		
Grand Theatre Purchase of Furniture	Revenue	61
Townhill Library within Pheonix Centre	Grant	126
Upgrade Gower View Play Area, Brynafon Road	Contribution	74
3G Pitch Morryston Comp/LC	Revenue	18
3G Pitch Penyrheol Comp/LC	Revenue	31
Economic Regeneration & Planning		
Swansea Central	Borrowing	1,375
Llys Dewi Sant Site	Contribution	220
Investment Property Portfolio	Borrowing	1,122
Corporate Building		
Ysgol Pen y Bryn Modular Extension	Revenue	351
Delayed & Reprofiled Spending From 2016/17 - All Services	Various	16,644
Delayed & Reprofiled Spending Into 2018/19 - All Services	Various	-14,925
Other Minor Changes	Various	307
TOTAL MATERIAL CHANGES		11,012

GENERAL FUND CAPITAL BUDGET 2017/18 - 2021/22

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
DIRECTOR OF RESOURCES						
Delivery & Information						
Telephony system replacement	451					451
Civic Centre LAN upgrade and WIFI provision	54					54
Upgrade Server Hardware	120					120
Improvements to school networks and associated equipment	378					378
Conference Equipment	40					40
Digital Business Strategy	760					760
Laptops for agile working	477	240				717
Agile IT		2,505			425	2,930
Mobile IT		2,100	2,100	1,575	1,705	7,480
Financial Services						
Corporate Contingency	405					405
Swansea Community Energy scheme (equity investment)	100					100
TOTAL FOR DIRECTOR OF RESOURCES	2,785	4,845	2,100	1,575	2,130	13,435
DIRECTOR OF PEOPLE						
Education (excluding 21st Century schools programme)						
Primary and secondary school schemes (not within C21st)	486					486
STF schemes	370					370
Poverty & Prevention						
Social Services						

GENERAL FUND CAPITAL BUDGET 2017/18 - 2021/22

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
Mayhill Family / Medical Centre	193					193
Residential home for young people	400					400
Enable scheme (support for independent living)	280					280
Alexandra House improvements	70					70
Ty Borfa refurbishments	145					145
Poverty schemes	116					116
Care home backlog maintenance			1,000	1,000	1,309	3,309
Capital creditors for 2016-17 paid in 2017-18	941					941
TOTAL FOR DIRECTOR OF PEOPLE	3,001		1,000	1,000	1,309	6,310
DIRECTOR OF PLACE						
Highways & Transportation						
Morfa Distributor Road	114					114
SRIC - St Thomas	219					219
Road Safety/Traffic grant Schemes	607					607
LTF Kingsbridge cycle link	73					73
LTF -Links to NCN Orchard St	363					363
LTF Baldwins Bridge business case	541					541
LTF strategic bus corridors	124					124
LTNF grant schemes	1000					1,000
Structural maintenance roads, including carriageway resurfacing, footways and lighting	2594					2,594
Highways annual allocation		3375	3375	3375	3375	13,500
Highways/Infrastructure additional Capital Maintenance (funded by reserves)	1000	1000	1000			3,000
Highways/Infrastructure additional Capital for commissioning review		1400	1400	1400	1400	5,600

GENERAL FUND CAPITAL BUDGET 2017/18 - 2021/22

	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
Seawall repairs		2000				2,000
Highways & Transportation Vehicle replacement programme	226					226
Van Mounted Access Platforms	370					370
Slip Bridge Refurbishment	139					139
Pont-y-Lon Bridge	100	700				800
Bascule Bridge		850				850
Other Bridges & retaining Walls	659					659
Drainage and flood alleviation works	754					754
Coast protection	313					313
Marina barrage schemes	398					398
Other highways schemes	518					518
Waste Management						
Tir John works	1,179	3,478				4,657
Purchase existing generating station	1,135					1,135
Route Optimisation Equipment	32					32
Provision of Food Waste Hall	114	43				157
Other waste schemes		40				40
Culture, Sport, Leisure & Tourism						
Art Gallery - Refurbishment	204					204
Art Gallery - Refurbishment (HLF element)	111					111
Library Service	66					66
Refurbish Townhill library within Phoenix Centre	126					126
3G Pitch Morriston Comprehensive School	256					256
3G Pitch Penyrheol Comprehensive School	636					636
3G Pitch Cefn Hengoed Comprehensive School	86	450				536
3G Pitch expansion (match funding for 2 x 3G pitches)		500				500
Upgrade Play Area Brynafon Rd	74					74
Other Culture, Sport, Leisure & Tourism schemes	267	169				436

GENERAL FUND CAPITAL BUDGET 2017/18 - 2021/22

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
Economic Regeneration & Planning						
Kingsway Urban Parkway	351	5,683	5,902	305		12,241
City Centre Regeneration Match Funding	1,396					1,396
City Centre regeneration - Swansea Central planning and design (Funding to be confirmed)	4,667					4,667
Kingsway offices design and planning	850					850
Civic Centre Relocation		200				200
City Centre Contingency		250				250
City Centre Deal (Quadrant)		350				350
City centre schemes (to include Castle Square and Market)		250	500	250		1,000
Hafod/Morfa Copper Works match funding		1,500				1,500
Hafod/Morfa Copper Works Regeneration	136					136
Musgrave Engine House repairs	72					72
Swansea Vale infrastructure/studies	239	500				739
Vibrant & Viable Places: Oceana demolition	501					501
Vibrant & Viable Places: Llys Dewi Sant site	401					401
Other regeneration schemes	64					64
Housing & Public Protection						
Housing						
DFG's -1996 Act (figure for 2017/18 inc. £1.4m slippage)	5,972	5,200	5,200	5,200	5,200	26,772
Sandfields Renewal Area	1,325					1,325
Property Appreciation Loans	940					940
Grant For Nominations	156					156
Comfort Safety & Security Grants (CSS)	7					7
Mini Adaptation Grants (MAG)	403					403
Houses into Homes Loans	154					154
Houses into Homes Loans (WG new regulations)	885					885

GENERAL FUND CAPITAL BUDGET 2017/18 - 2021/22

	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
National Home Improvement Loans	885					885
Home loans default provision	38					38
Corporate Building						
Capital Maintenance allocated	5,874					5,874
Schools - additional capital maintenance	1,000	1,000				2,000
Capital Maintenance unallocated		4,000	4,000	4,000	4,000	16,000
Lighting at Guildhall and other buildings	100					100
Conversion of Mansion House into public access civic building	200					200
Capital creditors for 2016-17 paid in 2017-18	1,801					1,801
Corporate Property						
Accommodation Strategy (agile working)	260	307				567
Pipehouse Wharf Replacement	2,063	179				2,242
Property Investment Portfolio (the funding for this will be repaid by future rental income)	1,122					1,122
TOTAL FOR DIRECTOR OF PLACE	46,260	33,424	21,377	14,530	13,975	129,566
Totals	52,046	38,269	24,477	17,105	17,414	149,311

Total General Fund Capital Budget

Appendix F

		2017/18	2018/19	2019/20	2020/21	2021/22	2023/24	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total General Fund (Excluding Schools)	App A	52,046	38,269	24,477	17,105	17,414	0	149,311
C21st Schools Band A	App B	9,054	10,039					19,093
C21st Schools Band B	App C	184	3,979	21,223	19,529	18,852	86,112	149,879
Total General Fund (including Schools)		61,284	52,287	45,700	36,634	36,266	86,112	318,283



Report of the Section 151 Officer and the Corporate Director Place

Cabinet – 15 February 2018

Housing Revenue Account (HRA) Revenue Budget 2018/19

Purpose:	This report proposes a Revenue Budget for 2018/19 and a rent increase for properties within the HRA.
Policy Framework:	None.
Consultation:	Cabinet Members, Finance, & Legal
Recommendations:	<p>The following budget proposals be recommended to Council for approval:</p> <ul style="list-style-type: none">a) Rents to be increased in line with the Welsh Government rent setting policy as detailed in section 3.b) Fees, charges and allowances are approved as outlined in section 3.c) The revenue budget proposals as detailed in section 3.
Report Authors:	Mark Wade / Ben Smith
Finance Officer:	Aimee Dyer
Legal Officer:	Tracey Meredith
Access to Services Officers:	Sherill Hopkins / Catherine Window

1. Introduction

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

- the requirement to achieve the Welsh Housing Quality Standard (WHQS);
- future income and expenditure trends;
- increases in rent in line with the rent policy;
- the effect on tenants of rent increases;

1.2 The proposals in this report are based on the objective of maximising the resources available for investment in the housing stock to make progress in achieving the WHQS.

2. Projected Revenue Outturn 2017/18

- 2.1 There is a forecast underspend on HRA Revenue management and maintenance budgets of £0.35m which is comprised of a reduction in borrowing costs (£0.25m) due to slippage on the Capital Programme. There is also an underspend on employee costs (£0.075) and supplies and services (£0.16). There are also minor underspends on transport costs (£0.015m) and premises costs (£0.05m) as a result of utilities. These underspends are offset by an overspend on revenue repair costs (£0.10m) along with a reduction in fee income (£0.10m).
- 2.2 The forecast revenue contribution to the 2017/18 Capital Programme has increased by £1.9m as a result of higher than anticipated balances carried forward and a reduction in the borrowing requirement. This has been partially offset by lower borrowing costs of £0.26m. As a result the forecast for the balances carried forward has reduced to £5.8m.

3. Revenue Budget Proposals 2018/19

3.1 Overview

- 3.1.1 There is a projected surplus on the HRA next year of £24.3m. This surplus together with the planned use of reserves will contribute towards the capital programme of £57.9M in 2018/19. This is for further investment in WHQS and for the More Homes Programme.
- 3.1.2 The main changes from 2017/18 are an increase in management and maintenance costs of £0.9m. This is mainly as a result of the 2% pay rise, increments and an increase in employer's pension contributions of £0.5m and an increase in the revenue repairs budget of £0.4m due to inflationary pressures on materials costs. Capital charges increased by £0.9m as a result of the additional cost of borrowing to support achievement of the WHQS.
- 3.1.3 The main changes to funding/income are an increase in rent and other income of £4.2m arising from the proposed rent increases.
- 3.1.4 The main changes from the 2017/18 budget are shown in the following table:-

Item	£000
Reduction in the use of reserves	2,298
Increased financing charges	989
Effect of 2% pay rise and increase in pension contributions	494
Increase in Revenue Repairs Budget	380
Increase in Revenue Contribution to Capital	12
Other minor revenue changes	33
Additional income including 6.88% rent increase	-4206

3.2 Rent Income

- 3.2.1 The target average rent per week for Swansea provided by the Welsh Government under the rent setting policy which was introduced in April 2015 is set out in the following table. The WG figures are based on a 52 week period. However, the Council has traditionally charged rents over 50 weeks allowing two weeks during the year when rent is not collected. The equivalent 50 week average is also provided.

	Lower Band (i.e. Mid-Point - 5%)	Mid-Point	Higher Band (i.e. Mid-Point + 5%)
WG weekly figures (based on 52 weeks)	£85.03	£89.50	£93.98
50 week equivalent	£91.25	£96.05	£100.85

3.2.2 In February 2015, Council agreed to maximise the available rent income by using the full transitional increase allowable under the WG policy until such time that the upper band limit is reached. This policy on rent income directly helps fundamentally underpin our additional investment in the HRA capital programme.

3.2.3 After applying the national increase of 4.5% plus the full transitional increase, the average rent for 2018/19 will be £93.35 (based on 50 weeks). This is an average increase of £6.01 (6.88%) per week.

3.3 *Inflation*

Provision has been included in the budget for a 2% annual pay increase from April 2018. In addition, budgets have been amended to reflect changes in employer's contributions for pensions. Other budgets, in particular repairs and maintenance and utility costs have been based on the latest prices.

3.4 *Capital Financing Charges*

Additional Capital financing charges will arise in 2018/19 as a result of additional borrowing to finance WHQS improvements.

3.5 *Fees, Charges and Allowances*

General fees, charges and allowances are normally increased either in line with the agreed rent increase or in line with the inflation provision set out in 4.3 above. If the recommendations relating to the rent increase are approved then these rent related items will increase by 6.88% and other charges by 3%.

3.6 *Contributions to the Capital Programme*

The additional income enables a contribution of £24.5m to the capital programme. A further £97k from reserves will also be utilised in supporting the capital programme.

4. **Risks and Uncertainties**

4.1 The main risk and uncertainty for next year is the ongoing impact of welfare reform measures, such as the potential increase in number of tenants in receipt of universal credit on the level of income.

5. **Reserves**

5.1 The HRA balance at the start of this year was £9.8m and at the end of the current year it is estimated to be £5.8m. It is proposed that £97k is used next year to finance capital expenditure. The reserves position is detailed in Table B.

6. **Equality Impact Assessments**

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

7 Legal Implications

7.1 Tenants will need to be notified of the proposed increase in accordance with the provisions of section 102 of the Housing Act 1985. Section 102 b) states that variation of the Rent shall be carried out in accordance with the provisions of the Tenancy Agreement. Section 2.6 of the Council's Tenancy Agreement states that Tenants must be given 4 weeks notice before any Rent change.

Background Papers: None

Appendices:

Table A: Summarised HRA 2017/18 to 2018/19

Table B: Movement in Balances 2017/18 to 2018/19

Classification	Budget 2017/18	Budget 2018/19
	£'000	£'000
<u>Expenditure</u>		
Management and Maintenance	28,750	29,657
Capital Charges	10,096	11,085
Revenue Funding for capital schemes	24,459	24,471
Total Expenditure	63,305	65,213
<u>Income</u>		
Rents and other income	60,910	65,116
Use of balances	2,395	97
Total Income	63,305	65,213

Table B: Movement in Balances 2017/18 to 2018/19

Description	£000's
--------------------	---------------

Actual balance at 1 st April 2017	9,821
Budgeted use 2017/18	-2,395
Budgeted balance 31st March 2018	7,426
Forecast use 2017/18	-4018
Forecast balance 31st March 2018	5,803
Budgeted use 2018/19	-97
Forecast balance 31st March 2019	5,706



Report of the Section 151 Officer & the Director of Place

Cabinet – 15 February 2018

Housing Revenue Account – Capital Budget & Programme 2017/18- 2020/21

Purpose	This report proposes a revised capital budget for 2017/18 and a capital budget for 2018/19 – 2020/21
Policy Framework:	None
Consultation:	Legal, Finance & Access to Services
Recommendation(s):	It is recommended that: <ol style="list-style-type: none">1) The transfers between schemes and the revised budgets for schemes in 2017/18 are approved;2) The budget proposals for 2018/19 – 2020/21 are approved;3) That, where individual schemes in Appendix B are programmed over the 3 year period described in this report, then these are committed and approved and that their financial implications for funding over subsequent years are approved.
Report Authors:	Ben Smith / Mark Wade
Finance Officers:	Jeff Dong / Jayne James
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar

1.0 Introduction

1.1 This report details:

- Revised Housing Revenue Account (HRA) capital expenditure and financing proposals in 2017/18
- HRA Capital expenditure and financing proposals in 2018/19 – 2020/21

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

- Appendix A: Summary of the revised budget for 2017/18 and a budget for 2018/19 – 2020/21
- Appendix B: Detailed breakdown of the revised budget for 2017/18 and a budget for 2018/19 – 2020/21
- Appendix C: Scheme descriptions

2.0 Capital Budget 2017/18

- 2.1 The revised programme for the current year is £51.89m i.e. an original budget of £59.26m plus carry-forward from 2016/17 of £2.42m less slippage into 2018/19 of £9.79m. Slippage from this current year into 2018/19 is to mainly fund the external facilities scheme, More Homes pilot at Parc Y Helig and the wind and weatherproofing works in West Cross.
- 2.2 The majority of all other projects for 2017/18 are complete although a small element of under spend may exist due to a range of reasons including retentions for the defects liability period and some under spends on completed projects. Any projects not currently complete will be completed within the early part of the 2018/19 financial year and where underspend has occurred, officers have mitigated these by bringing other priority work forward to compensate. Transfers and changes to the 2017/18 budget are reflected and detailed in appendix B.

3.0 2018/19 – 2020/21

- 3.1 The proposed three year capital programme and the priorities of the various schemes have been developed in line with the HRA Business Plan and reflect the results of a stock condition survey. In addition, the programme contributes towards the Council's strategic aim of improving homes up to the Welsh Housing Quality Standard (WHQS) and provision has also been made for the continuing supply of new council housing.
- 3.2 Schemes detailed in Appendix C contribute towards the key components of the Welsh Housing Quality Standard as follows:

In a Good State of Repair

Dwellings must be structurally stable; free from damp and disrepair with key building components being in good condition – roofs, walls, windows, doors and chimneys.

Safe and Secure

Dwellings should be free from risks that could cause serious harm and should be secure in key areas of the home. Heating and electrical systems to be up to date and safe; doors and windows to provide good levels of security; risk of falls from height to be prevented; fire safety measures to be in good condition and well designed.

Adequately Heated, Fuel Efficient and Well Insulated

Dwellings must be capable of being heated adequately by ensuring heating systems are fuel efficient and properties well insulated.

Contain Up to Date Kitchens and Bathrooms

Kitchen and bathroom facilities are to be relatively modern and in good condition; sufficient to meet the needs of the household and well laid out to prevent accidents.

Located in Attractive and Safe Environments

Homes should be located in environments that residents can relate to and in which they are proud to live. Improvements will be required to ensure areas within the curtilage of properties are safe and communal areas and the wider shared environment is safe and attractive.

Suit the Specific Requirements of the Household

The requirement is that homes meet the necessary requirements for their occupants in terms of room sizes, ensuring necessary facilities such as kitchens and bathrooms are sufficient and where required, adaptations are undertaken for persons with disabilities.

- 3.3 The More Homes Strategy for providing new Council housing has been endorsed by Council. Indicative expenditure of £3.281m over 3 years up to 2020/21 for taking forward the strategy and delivering the pilot schemes has been included in the programme.

4.0 Financing of HRA Capital Budget 2017/18 -2020/21

- 4.1 The attached capital budget proposals will be funded through a combination of Welsh Government (WG's) contribution via its Major Repair Allowance (MRA) grant, revenue contributions from the HRA, and borrowing. Details are set out in Appendix A.

5.0 Risks

- 5.1 The risks to the 3 year programme are similar to those set out in the HRA Revenue report. In particular, the level of MRA grant, future rent increases (which are determined by WG) and the potential effect of Welfare Reform on levels of income.

6.0 Equality and Engagement Implications

- 6.1 Tenants and leaseholders have been engaged as part of the Council's Tenant Participation Strategy.

An EIA screening has been undertaken and there is no equality implications associated with the recommendations of this report, since this deals with the financial aspects of agreeing a budget for the scheme. Individual projects will take account of specific equality issues.

7.0 Legal Implications

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

8.0 Financial Implications

- 8.1 Expenditure is ring fenced to the HRA and will be fully funded by MRA grant from WG, revenue contributions from the Housing Revenue Account and HRA borrowing. There are no financial implications for the Council General Fund.
- 8.2 Borrowing of £88.96 million will be required to fund the WHQS and new build programmes up to 2020/21.

Background Papers

None.

Appendices

Appendix A: Summary of the revised budget for 2017/18 and a budget for 2018/19 – 2020/21

Appendix B: A detailed breakdown of the revised budget for 2017/18 and a budget for 2018/19 – 2020/21

Appendix C: Scheme descriptions

Summary of HRA Capital Budget and Programme 2017/18 to 2020/21					
	2017/18	2018/19	2019/20	2020/21	Total
	£'000	£'000	£'000	£'000	£'000
HRA Subsidy Reform					
Good State of Repair					
Wind and weatherproofing	4,482	4,793	2,685	4,100	16,060
System built houses and highrise Blocks	7,399	6,754	8,730	12,200	35,083
Roofing	2,201	1,211	1,200	1,425	6,037
Windows, doors and general repairs	650	1,175	215	215	2,255
Safe and Secure					
Fire Safety	1,131	1,839	450	250	3,670
Electrical Rewiring	539	595	540	320	1,994
Passenger Lifts	318	436	300	230	1,284
Adequately Heated, Fuel Efficient & Well Insulated					
Heating Systems	1,221	630	430	400	2,681
Energy Efficiency and Grant Support	£534	275	150	150	1,109
Contain Up to Date Kitchens and Bathrooms					
Kitchens and Bathrooms	25,251	22,803	26,052	17,434	91,540
Located in Attractive and Safe Environments					
Environment - Within the Curtilage	2,038	9,351	12,135	10,015	33,539
Estate Based Environment	1,302	2,000	2,100	2,000	7,402
Meeting Requirements of the Household					
Adaptations	2,750	2,750	2,750	2,750	11,000
More Homes					
	2,070	3,281			5,351
Total	51,886	57,893	57,737	51,489	219,005

Financed By:	2017/18 Revised	2018/19 Original	2019/20 Original	2020/21 Original	Total
	£'000	£'000	£'000	£'000	£'000
MRA	9,158	9,100	9,100	9,100	36,458
RCCO	26,351	24,471	22,097	20,486	93,405
Borrowing WHQS	16,200	24,322	26,540	21,903	88,965
Innovative Housing Grant	177				177
Total	51,886	57,893	57,737	51,489	219,005

HRA CAPITAL PROGRAMME	2017/18 to 2020/21					
	2017/18	2017/18	2018/19	2019/20	2020/21	Total
	Original	Revised	Original	Original	Original	Original
	£'000	£'000	£'000	£'000	£'000	£'000
Good State of Repair						
Wind & Weatherproofing, Mayhill and Townhill Scheme 1	19	19				19
Wind & Weatherproofing, Mayhill and Townhill Scheme 2	6	2				2
Wind & Weatherproofing, Mayhill and Townhill Scheme 3	28	9				9
Wind & Weatherproofing, Penlan Scheme 1	461	651	326			977
Wind & Weatherproofing, Llanllienwen	979	843	120			963
Wind & Weatherproofing, Clydach					200	200
Wind & Weatherproofing, McRitchie Place	289	280	40			320
Wind & Weatherproofing, West Cross	1,611	629	1,655	1,150	1,150	4,584
Wind & Weatherproofing, West Cross Warwick Place	2		1,162			1,162
Wind & Weatherproofing, Loughor	468	495				495
Wind & Weatherproofing, Penllergaer			800			800
Wind & Weatherproofing, Cwmbwrla	650	708				708
Wind & Weatherproofing, Blaenymaes (Woodford Road)					960	960
Wind & Weatherproofing, Tirdeunaw Sheltered Complex				300		300
Wind & Weatherproofing, Pontardulais	755	846	690	825		2,361
Wind & Weatherproofing, Fforesthall					750	750
Wind & Weatherproofing, Talcoppa					280	280
Wind & Weatherproofing, Tower Gardens				210		210
Wind & Weatherproofing, Llwynceithin Sheltered & Maes Glas Flats					560	560
Wind & Weatherproofing, Various				200	200	400
Airey and Traditional Built Properties, Felindre				420		420
Resiform and Traditional Built Properties, Craig Cefn Parc	400	292	1,298			1,590
British Iron & Steel Federation (BISFs) Houses West Cross	1,100	1,060	1,054			2,114

SCHEME/PROJECT	2017/18	2017/18	2018/19	2019/20	2020/21	Total
	Original	Revised	Original	Original	Original	Original
	£'000	£'000	£'000	£'000	£'000	£'000
Good State of Repair cont'd						
British Iron & Steel Federation (BISFs) Houses Gendros	23	24				24
Wimpey No Fines (WNFs) Properties, Waunarlwydd				700	700	1,400
Wimpey No Fines (WNFs) Properties, Caemawr	580	600	29			629
Trusteel Houses, Penllergaer	20	21				21
Easiform Properties, Winch Wen	680	775	1,400	1,400		3,575
Easiform & Traditional Properties, Sketty	730	824	440	890		2,154
Easiform & Wimpey No Fines Properties, Clase			990	820	800	2,610
Easiform Properties, Birchgrove			820	1,000		1,820
Highrise Flats, Dyfatty	200		200	3,500	10,700	14,400
Highrise Flats, Matthew Street	263	259	70			329
Highrise Flats, Clyne & Jeffreys Court	3,647	3,544	453			3,997
Chimney Repairs	410	360	552	400	200	1,512
Pitched Roof Renewal, Blaenymaes	602	583	29			612
Pitched Roof Renewal, Talfan Rd Carew PI Bungalows Bonymaen	246	286	6			292
Pitched Roof Renewal, Clase	18	18				18
Pitched Roof Renewal, Sketty (3 Storey Flats)	6	6				6
Pitched Roof Renewal, Clay Roofs Townhill and Port Tennant	399	451	21			472
Pitched Roof Renewal, Penlan Flats			16			16
Pitched Roof Renewal, Gower (Penclawdd, 3Xs & Llangennith)	500	371	129			500
Pitched Roof Renewal, Gorseinon & Penyrheol				500		500
Pitched Roof Renewal, Gendros	4	4				4
Pitched Roof, Various	200	122	308	200	325	955
Flat Roof Renewal, Various			150	100	100	350
Flat Roof Renewal Rheidol Court					800	800
Balcony Repairs	6	6	250			256

SCHEME/PROJECT	2017/18	2017/18	2018/19	2019/20	2020/21	Total
	Original	Revised	Original	Original	Original	Original
	£'000	£'000	£'000	£'000	£'000	£'000
Good State of Repair cont'd						
Window and Door Renewal Programme Incl. Fire Escape Windows	408	212	400			612
Structural Repairs	618	343	475	200	200	1,218
Drainage Repairs and Improvements	45	45	15	10	10	80
Repairs to HRA Offices and Operational Assets – Various	44	44	30			74
Design and Scheme preparation			5	5	5	15
Safe and Secure						
Fire Safety General and Risk Reduction	282	265	155	100		520
Fire Safety Highrise	4,518					
Smoke and Carbon Monoxide Detectors	141	141	230	150	250	771
Fire Safety Sprinkler System - Highrise and Sheltered Complexes	356	329	1,316	200		1,845
Sprinkler System - Jeffreys Court	80	80				80
Sprinkler System - Clyne Court	388		138			138
Sprinkler System - Matthew Street		250				250
Fire Separation Between Kitchens & Stairs	20	10				10
Fire Safety Separation Between Flats	50	56				56
Electrical Rewiring	259	133	320	300	300	1,053
Electrical Rewiring Contingency			20	20	20	60
Electrical Rewiring & Emergency Lighting Communal Blocks	507	406	215	200		821
Communal Aerials			40	20		60
Passenger Lift Repair, Improvement and Provision, Various	405	318	436	300	230	1,284
Adequately Heated						
Boiler Replacement	1,500	1,165	600	400	400	2,565
Loft Insulation	149	160	60	50	50	320
Heating Upgrades	50	56	30	30	0	116
Energy Efficiency & Energy Grant Support	439	374	215	100	100	789

SCHEME/PROJECT	2017/18	2017/18	2018/19	2019/20	2020/21	Total
	Original	Revised	Original	Original	Original	Original
	£'000	£'000	£'000	£'000	£'000	£'000
Kitchens and Bathrooms						
Kitchen & Bathroom Renewal	230	230	21,619	25,652	17,064	64,565
Kitchen & Bathroom Renewal Asbestos Management			250	250	250	750
Kitchen & Bathroom Renew 16/7 Contractor 1	626	545				545
Kitchen & Bathroom Renew 16/7 Contractor 2	546	552				552
Kitchen & Bathroom Renew 16/7 Contractor 3	71	13				13
Kitchen & Bathroom Renew 17/8 Contractor 1	10,185	12,141	494			12,635
Kitchen & Bathroom Renew 17/8 Contractor 2	6,111	5,090	111			5,201
Kitchen & Bathroom Renew 17/8 Contractor 3	4,074	5,480	129			5,609
Kitchen & Bathroom Renew 17/8 CBS	1,500	1,200				1,200
Kitchen & Bathroom Renewal Contingency			200	150	120	470
Located in Safe Attractive Environment						
Environment - Within the Curtilage						
External Facilities Scheme	1,443		8,950	12,000	10,000	30,950
External Facilities Contingency	62	62				62
External Facilities Scheme Gorseinon Contract 1	317	316	30			346
External Facilities Scheme Gorseinon Contract 2	367	340	26			366
External Facilities Scheme Penlan 17/18	1,030	1,030				1,030
Meter Boxes, Various			15	15	15	45
Voice Entry Systems, Various	505	290	330	120		740
Environment - Estate Based						
General Environmental Improvement Schemes	1,302	1,302	2,000	2,100	2,000	7,402
			0			
Meeting the Needs of the Household			0			
Adaptations Internal	2,000	2,000	2,000	2,000	2,000	8,000
Adaptations External	750	750	750	750	750	3,000

SCHEME/PROJECT	2017/18	2017/18	2018/19	2019/20	2020/21	Total
	Original	Revised	Original	Original	Original	Original
	£'000	£'000	£'000	£'000	£'000	£'000
More Homes						
More Homes Pilot - Parc Y Helig	2,693	393	2,757			3,150
More Homes Pilot – Milford Way	1,682	1,572	100			1,672
Conversion and Acquisition	624	105	424			529
Total	£61,679	£51,886	£57,893	£57,737	£51,489	£219,005

HRA 3 Year Capital Programme

Scheme Description

Good State of Repair

Wind and Weatherproofing

Wind and Weatherproofing - will repair and upgrade the external fabric to maintain structural integrity, improve weather protection and thermal efficiency. Work typically includes renewing roofs and rainwater goods, wall tie renewal, application of external wall insulation and where required new front and back doors, repairs to paths, steps, handrails, fencing and facilities within the curtilage of the home where necessary. In some instances, improvements to fire safety may be undertaken also. These contracts will operate over the period of this three year programme. Schemes may be subject to planning permission requirements and officers will submit planning applications as necessary.

Airey Properties

Airey properties are of a concrete panel type construction and were built in the early 1950s. Externally, work will include renewing roofs and rainwater goods, repairs to the structure, wall cladding may be removed and renewed depending on the most effective solution and where required new front and back doors, repairs to paths, steps, handrails, fencing and facilities within the curtilage of the home where necessary. Internally, work will include kitchens and bathrooms as part of the refurbishment and in some instances, improvements to fire safety may be undertaken also. The repair scheme will secure the long term structural integrity of the properties, improve weather protection, provide new kitchens and bathrooms and increase the thermal efficiency of the dwellings. Due to location, these properties are not connected to the mains gas grid and subject to costs, the scheme may include renewable energy systems as part for the project and investment may support energy grants. This scheme may operate beyond a single financial period. This contract may be subject to planning permission requirements and officers will submit planning applications as necessary.

Resiform Properties

Resiform properties are of a timber frame and fiberglass panel type construction and were built in the 1970s. Work will include renewing roofs and rainwater goods, repairs to the structure, application of external wall insulation and where required new front and back doors, repairs to paths, steps, handrails, fencing and facilities within the curtilage of the home where necessary. In some instances, improvements to fire safety may be undertaken also. The repair scheme will secure the long term structural integrity of the properties, improve weather protection and increase the thermal efficiency of the dwellings. Subject to costs and the availability of energy saving grants and City Deal funding, the scheme may include renewable technology systems, battery storage and new heating systems for the purpose of testing technology and providing energy efficient homes. This scheme may be subject to planning permission requirements and officers will submit planning applications as necessary.

British Iron & Steel Federation (BISFs) Houses

BISF houses are of a steel frame construction built in the 1950s. The scheme is designed to repair and maintain the structural integrity, improve thermal efficiency, weather protection and improve the main facilities within the home and, where necessary in the garden. The specification of work includes roof renewal, insulated render system and

door renewal, boiler replacement, electrical rewiring, kitchens and bathrooms and where required repairs to paths, steps, handrails, fencing and facilities within the curtilage of each home. Schemes may be subject to planning permission requirements and officers will submit planning applications as necessary.

Wimpey No Fines Houses

Wimpey No Fines are properties built with solid concrete walls and the repair scheme will address structural cracking where present and will include application of insulated render to improve thermal efficiency and weather protection, roof covering and door renewal. Where required, repairs to paths, steps, handrails, fencing and facilities within the curtilage of each home may be undertaken. Schemes may be subject to planning permission requirements and officers will submit planning applications as necessary.

Easiform Properties

Easiform properties are typically a poured concrete construction built in the 1950s and 1960s. The scheme will secure the long term structural integrity of the properties, improve the weather protection and particularly improve the thermal efficiency of the properties. The scope of work will include roof repairs, wall repairs and insulation, improvement to balconies where present and minor upgrades to fire safety where required. Where necessary, the scheme will include repairs to paths, steps, handrails, fencing and facilities within the curtilage of each home. Schemes may be subject to planning permission requirements and officers will submit planning applications as necessary.

Refurbishment of Highrise Flats

The Council's high rise blocks were all built in the early 1960s and now require repairs to ensure their continued use over the long term. The schemes will protect the structures of the blocks; improve their weather resistance, thermal efficiency and their fire safety. The flats will also receive improvements to internal facilities for individual homes as well as communal areas.

For individual flats, the schemes will provide new kitchens and bathrooms including associated work and improved kitchen layout. Electrical rewiring will be renewed where required, improvements to heating systems and new boilers, integrated television reception systems, new door entry systems and upgrades to fire safety will also be included such the installation of sprinklers, fire stopping and improved fire separation. Where feasible, redundant storage areas will be converted to provide new additional units of accommodation.

Externally, the work will include a new roof, balcony rails, repairs to balcony slabs, insulated cladding across the walls, new double glazed windows, upgrades to fire protection, revised CCTV systems where required, improved entrances, renewal of the communal electrical wiring and lighting, and improvements to the decoration.

The local environment may receive upgrades to paths and areas of hard and soft landscaping, possible removal of garages and improvements to the immediate HRA owned environment. Additional resident parking may be provided where required and achievable.

The project is expected to take over three years to complete and will run across the full time scale of this reporting period. Schemes will be subject to planning permission requirements and officers will submit planning applications as necessary.

Chimney Repairs

Where chimneys are in poor condition, work will involve repairing, rebuilding or taking away the chimney if it is no longer required. The work will prevent damp and minimise

repairs for the response repair service and will be an ongoing scheme over the three year reporting period.

Pitched Roof and Flat Roof Renewal

Pitched and flat roof renewal includes repairing the roof structure and chimneys, providing insulation where required and replacing the roof covering to ensure long term weather protection. Contracts are expected to run over the period of this three year programme.

Balcony Repairs

Balconies will be repaired and improved to ensure they remain in good condition and safe to use. Repairs will include new balcony rails, repairs to the balcony slabs and floor surface.

Window and Door Renewal

Replacement of windows and doors which are at the end of their useful life or require upgrading, the new units will improve thermal efficiency and security. A small number of windows will be replaced to provide a means of escape in selected areas as required. Where necessary, fire doors will be renewed in flats to ensure they achieve suitable fire safety.

Structural Repairs

Structural Repairs will treat free standing or retaining structures where there is failure or disrepair, subsidence, heave or movement cases, and other structural elements that are considered to be in need . Where required, the budget will meet the cost for demolition of properties including any buy back of properties within blocks of flats as required.

Drainage and drainage protection

Where existing drainage is in disrepair or in need of upgrading or there is a need to address changes in demand, the scheme will look to improve selected sites and may include amongst other items: new systems, alternative or new layouts and/or expansion of current systems.

Repairs to HRA Offices and Operational Assets – Various

The scheme is to carry out repairs and renewal to HRA offices and assets where required. The work will include various items relating to the structure, fabric, electrical, mechanical and elements within the curtilage.

Design and Scheme preparation

Investment will meet the cost of early design and preparation of schemes contained within this report.

Safe and Secure

General Fire Safety and Risk Reduction – Various Locations

A range of fire safety and risk reduction measures will be undertaken to homes and HRA buildings across the Council. Work will be varied but may include the provision of up-to-date fire safety signage and other fire safety communication, upgrading fire stopping materials, minor changes to layout and access routes, specialist intrusive investigations in relation to improvement work, safety improvements to communal stairs, fire barriers, upgrades to fire firefighting equipment and material and improvements to fire warning systems.

Fire Safety Highrise

Budget set up as a contingency to meet possible fire safety issues in high rise flats following Grenfell Tower fire in 2017.

Smoke Alarms and Carbon Monoxide Detectors

Hard wired smoke alarms, heat detectors and carbon monoxide detectors in homes are renewed to ensure uninterrupted service. The project will be ongoing and will run over the period of this three year programme.

Fire Safety Sprinkler Systems – Highrise and Sheltered Complexes

The scheme will install a sprinkler system to individual flats and communal areas of highrise blocks and older person sheltered complexes. The aim is to improve the fire safety for the residents.

Electrical Rewiring – Various Locations

Homes with electrical installations that are approximately 30 years will be rewired as part of a planned scheme. The project will be a long term contract and will run over the period of this three year programme.

Electrical Rewiring Contingency – Various Locations

Properties will be rewired where an electrical inspection has identified that this is necessary.

Electrical Rewiring Communal Blocks and Emergency Lighting

The electrical wiring in communal areas will be rewired where the existing installations are approximately 30 years old or where an electrical inspection has identified that this is required. The scope of the work will include the provision of new electrical wiring, emergency lighting, new communal aerial facilities, fire alarms, IT systems, warning or helpline systems and communal fire alarm system as required. This contract will operate over the period of this report.

Communal Aerials

The scheme is to repair or renew and upgrade existing communal aerial systems in housing accommodation. The majority of work will take place in older person sheltered accommodation and blocks of flats. The work will include upgrading and renewing aerial and satellite systems.

Passenger Lift Repair, Improvement and Provision – Various Locations

The Housing Service has responsibility for passenger lifts within its block of flats and sheltered accommodation. The investment is to meet the cost of assessment, design and repair, improvement, alteration or renewal to passenger lifts and associated work where there are defects (or at the end of their useful life) to ensure continued safe and long term provision. Where there is sufficient requirement, new provision may be included at selected sites. Various Locations will be affected.

Adequately Heated

Boiler Replacement – Various Locations

Heating systems will be renewed as part of a long term programme aimed at improving efficiency and reliability. This contract is ongoing and will run over the period of this three year programme.

Heating Upgrades – Various Locations

The scheme is designed to provide fuel switching to council homes e.g. coal to gas, storage heaters to gas etc. as well as provide minor improvements to heating systems including time clocks and room thermostats.

Loft Insulation

The scheme will improve loft insulation levels in council homes with the aim of improving thermal efficiency of homes across Swansea. This contract will operate over the period of this three year programme.

Energy Efficiency Measures and Energy Grant Support – Various

This investment is to meet the costs directly and/or support grants for measures that contribute towards improving thermal efficiency in council homes. Work may include Solar Photovoltaics, Solar Hot water, battery storage, air source or ground source heat pump, insulation measures including wall insulation or other emerging energy saving technology / applications to homes and which can provide a benefit to council tenants. The work will be ongoing and is expected to run over the period of this three year programme.

Kitchen and Bathroom Renewal

Kitchen and Bathroom Renewal

The investment will be to improve the internal living facilities, making these more safe and useable. Work may include, depending on requirements, alterations or replacement to electrical wiring, replacement central heating systems, renewing food preparation surfaces, storage and cooking areas, minor kitchen layout alterations, flooring, decorative finishes including tiling and where required the renewal of sanitary facilities. Where required, the scheme will include general improvements to the home to enable kitchens and bathrooms to be improved, for example damp treatment, floor slab repairs/renewal or structural alteration to improve space and circulation within the home. The scheme will also include alterations and adaptations to kitchen and bathrooms where the occupants are identified as requiring these due to illness or disability. Contracts will operate over the period of this three year programme.

Kitchen and Bathroom Asbestos Management

Investment is to meet costs of managing asbestos in relation to works to kitchen and bathroom renewal. The purpose is to ensure tenants remain safe in their homes and the Council meets its statutory obligations.

Kitchen and Bathroom Renewal Contingency

The investment will be to renew kitchens and bathrooms where additional investment is required to empty homes in order to make ready for letting.

Located in Safe/Attractive Environments

Environment - Within the Curtilage

External and Communal Facilities (Including Fencing/Walls/Hardstanding & Paths)

The scheme will undertake repairs to the external facilities within the curtilage of homes and communal areas of blocks of flats to ensure they are reasonably safe and practicable areas. Garden areas can vary considerably from property to property and therefore the work will be tailored to the needs of individual homes, but will broadly include minor repairs or partial replacement of fencing and boundary walls, walls within the curtilage, paths, steps, handrails, drying facilities, clearance and or planting where necessary or lighting to communal areas. Where some facilities are no longer viable, these may be removed.

Environment – Estate Based

General Environmental Improvement Schemes

The scheme is to improve areas belonging to the Housing Revenue Account element of the Housing Service which are outside the curtilage of individuals' homes. The schemes will be based on consultation exercises with stakeholders as well as repairs necessary for the Housing Service to discharge its duties as the asset holder.

Meeting Requirements of the Household

Adaptations

This funding is for alterations and improvements to council homes for tenants with medical conditions or disabilities. This contract is ongoing and will operate over the period of this three year programme.

More Homes

More Homes

The investment will be to support provision of new council housing, the conversion of existing buildings to new accommodation and all other actions set out in the agreed 'More Council Homes Strategy'.

Conversion and Acquisition

The budget is for the purposes of converting and / or acquiring property into HRA accommodation.



Report of the Cabinet Member for Future Generations

Cabinet – 15 February 2018

Transfer of Management of Allotments from City & County of Swansea to Management Associations

Purpose:	The purpose of the report is to approve the transfer of Management and Operational responsibilities for Allotments from the City & County of Swansea to Allotment Member Associations.
Policy Framework:	Asset Management Plan 2017/2021 Community Asset transfer Policy
Consultation:	Finance, Legal, Access to Services, Poverty & Prevention Service.
Recommendation:	It is recommended that Cabinet accepts option 2 and: <ol style="list-style-type: none">1) Authorise the transfer of existing Allotment sites to Member Associations with total Management responsibility.2) Where there is no interest from current Allotment Holders to form an Association, the Council should actively pursue an arrangement with other bodies to take on total management responsibility.
Report Author:	Adrian Skyrme
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Sherill Hopkins

1. Introduction

- 1.1 The Small Holdings and Allotment Act 1908 placed a statutory duty on Local Authorities to provide adequate allotments but placed no obligation on the Authorities to either subsidise, or to manage them on a day-to-day basis.

- 1.2 In May 2014, under the Income and Charging strand of Sustainable Swansea, the Commercial Pricing Team instructed that an Operational Review of the provision of the Council's Allotment Service be undertaken, on the basis that the allotments were being run at a loss.

2. Current Position

- 2.1 Currently the City & County of Swansea have 16 allotment sites providing 307 plots, located as follows:

Site	Location	Plots	Current Management Arrangements
Acre Field	Mumbles	22	Council
Castle Acre Field	Mumbles	14	Council
Grange	West Cross	13	Council
Lower Norton Field	Off Mumbles Road	9	Council
Seaview	Mount Pleasant	5	Council
Castle Road	Mumbles	19	Self-Managed (partial)
Gelli Aur	Treboeth	13	Self-Managed (partial)
Heol y Gors	Cockett	24	Self-Managed (partial)
Singleton	Ashleigh Road	35	Self-Managed (partial)
Upper Norton Field	Mumbles	21	Self-Managed (partial)
Eynon Street	Gorseinon	17.5	Interim Arrangement
Fairfield	Townhill	10	Interim Arrangement
Frederick Place	Llansamlet	31	Interim Arrangement
Grenfell Park Road	St Thomas	18.5	Interim Arrangement
Lon Mafon	Ty Coch	18	Interim Arrangement
Plunch Lane	Limeslade	37	Interim Arrangement

The Council is responsible for the payment of maintenance and water rates for all of these sites including those identified as Self- Managed.

N.B. The Vetch is not classified as an Allotment Site and was part of a Community Growing Scheme leased to an Association for 7 years in March 2013 for a Peppercorn Rent.

- 2.2 Sites are currently managed in a variety of ways - Council managed; Self-managed or by way of Interim arrangement.
- 2.2.1 Five sites are currently managed by the Council. On the Council managed sites the **Council** is responsible for:
- Issuing individual tenancy agreements and bills
 - Collection of rent
 - Management of waiting list
 - Insurance
 - Bi-annual site inspection

- Arranging and paying for maintenance work

2.2.2 Five sites took the option to continue to be self-managing. On these sites the **Allotment Associations** are responsible for:

- Plot letting
- Managing the waiting list
- Notifying the Council of the number of plots eligible for concession
- Annual collection and payment of rent
- Notifying the Council of any required maintenance work
- Organisation and payment of site insurance
- Holding an annual AGM

On Self-managed sites there is one Lease to the Association.

2.2.3 Six sites are currently managed by Allotment Associations that have interim arrangement. These sites were working towards self-management by the completion of a Lease but this was placed on hold pending a review of the service. On these sites the **Council** is responsible for:

- Insurance
- Annual billing of rent (exceptions being Frederick Place & Fairfield)
- Carrying out any agreed maintenance work
- Payment of any agreed maintenance

Currently, all Leases state that the City & County of Swansea retains the responsibility for the maintenance of trees, boundaries fixtures & fittings (and the payment of Water Rates on all sites.

3. Proposals

An option needs to be considered that removes any subsidy of the service and also, in line with Sustainable Swansea Fit for the future- ensures greater ownership and control of the allotment sites for the plot holders via associations. Therefore, in order to protect the provision of the Allotments within the County, the following options must be considered:

3.1 Option 1

The council continues to be responsible for all aspects of administering those sites where it is currently has a management role along with continued maintenance liability and payment of water rates and any other relevant charges. **Any element of subsidy is removed and full cost recovery is undertaken by way of increased charges to users.**

In addition to the maintenance costs there will be a need to charge for the administration of the service. This will lead to significant increases in the fees payable by allotment members.

3.2 Option 2

Community Asset Transfer of sites to Membership (Allotment) Associations with total management responsibility.

This would be the most favourable option for the Council as there would be no ongoing costs to the Council. Management of all allotments would be consistent across the Authority.

The benefit for the members would be that the individual Associations would be able to apply for various grants that are not available to the Local Authority. The Allotment Association would be granted a long lease (of up to 25 Years) of a site at a nominal peppercorn rent and would become responsible for all aspects of the day to day running of the site. Each Association would then be able to collect their own annual rent and spend that income in a manner that addresses their individual site priorities. They would also be able to develop their own site rules addressing any particular concerns they have on their site. This could allow for rental periods to be brought in to line with the growing season.

Where there is no interest in establishing an Association on an existing site other Associations would be offered the opportunity to merge or take on additional sites.

Many Local Authorities have adopted this approach including Newport and Bridgend. Newport have individual allotment associations whilst Bridgend County Council have one Allotment Association that manages ten allotment sites. In Neath & Port Talbot responsibility of the management of allotments is the responsibility of the Community Councils.

Officers have met with representatives from all the Allotment Sites and generally there is a broad acceptance and enthusiasm in respect of this proposal, accepting that the service can be managed better by the people with the knowledge, the members themselves.

Presently there are meetings being held by the members on their individual sites with a view to considering whether to form individual Associations or whether to combine sites and create an over-arching Association covering a few sites. It is likely that we will have a combination of both. Council Officers will be in attendance at these meetings and have applied for membership of the National Allotment Association behalf of the Council, to continue to support the Allotment Members.

Site Surveys of all sites has been requested to highlight areas of concern on each site i.e. Tree maintenance, boundary issues etc. so that these can be considered / addressed prior to the transfer of total management responsibility to the Allotment Associations.

4. Recommendations

Option 2 is recommended that the total management responsibility of the Allotments be transferred to Member Associations so that the sites can be managed and maintained more economically and efficiently by the tenants themselves, in line with the Sustainable Swansea Fit for the Future policy.

5. Equality and Engagement Implications

- 5.1 An EIA screening form (**Appendix A**) has been completed and reviewed. The agreed outcome was that a full EIA report was not required as it is the management of the service and not the service itself that the proposed change relates to. New lease agreements would be compliant with the Equality Act 2010 and the Welsh Language (Wales) Measure 2011 where applicable.

6. Financial Implications

- 6.1 This recommendation would ensure that all financial costs for the maintenance and water rates of all the allotment sites will be passed on to the individual Allotment Associations in future. Also it will allow the freeing of resources in the form of two posts within Poverty & Prevention that were responsible for the monitoring and management of this Service.

7. Legal Implications

- 7.1 New lease agreements would have to be issued. We are recommending a 25 year lease at a peppercorn rent (£1.00 if demanded by the Council) and that each Association is affiliated to a recognised National Body eg: National Allotments Association.
- 7.2 Plot holders require a six month period of notice of any termination of tenure before the 6th day of April or after 29th September. (Allotment Act 1950)
- 7.3 **Small Holdings and Allotments Act 1908, Section 23** provides that if allotment authorities 'are of the opinion that there is a demand for allotments in the borough, district or parish the council shall provide a sufficient number of allotments to persons...resident in the borough district or parish and desiring the same'. In determining demand an authority must take into consideration 'a representation in writing by any six registered parliamentary electors or rate payers'.
- 7.4 **Allotments Act 1925, Section 8** specifies that land purchased or appropriated by local authorities for use as allotments must not be disposed of without Ministerial consent. The Secretary of State must be satisfied that 'adequate provision will be made for allotment holders displaced by the action of the local authority, or that such provision is unnecessary or not reasonably practicable'.

Background Papers: None

Appendices:

Appendix A - EIA Screening Form

Equality Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form. If you would like further guidance please contact your directorate support officer or the Access to Services team (see guidance for details).

Section 1

Which service area and directorate are you from?

Service Area: Strategic Estates

Directorate: Place

Q1(a) WHAT ARE YOU SCREENING FOR RELEVANCE?

Service/ Function	Policy/ Procedure	Project	Strategy	Plan	Proposal
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(b) Please name and describe below

Restructure of the way in which Allotments are Managed in future.
Moving away from Council Management to Member Associations.

Q2(a) WHAT DOES Q1a RELATE TO?

Direct front line
service delivery

(H)

Indirect front line
service delivery

(M)

Indirect back room
service delivery

(L)

(b) DO YOUR CUSTOMERS/CLIENTS ACCESS THIS...?

Because they
need to

(H)

Because they
want to

(M)

Because it is
automatically provided to
everyone in Swansea

(M)

On an internal
basis
i.e. Staff

(L)

Q3 WHAT IS THE POTENTIAL IMPACT ON THE FOLLOWING...

	High Impact (H)	Medium Impact (M)	Low Impact (L)	Don't know (H)
Children/young people (0-18) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Any other age group (18+) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or (non-)belief →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Welsh Language →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Poverty/social exclusion →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community cohesion →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Equality Impact Assessment Screening Form

Q4 HAVE YOU / WILL YOU UNDERTAKE ANY PUBLIC CONSULTATION AND ENGAGEMENT RELATING TO THE INITIATIVE?

- YES NO (If NO, you need to consider whether you should be undertaking consultation and engagement – please see the guidance)

If yes, please provide details below

Series of meetings held in December. Committee members of association sites and all members of council managed sites were invited to attend.

Q5(a) HOW VISIBLE IS THIS INITIATIVE TO THE GENERAL PUBLIC?

High visibility <input type="checkbox"/> (H)	Medium visibility <input checked="" type="checkbox"/> (M)	Low visibility <input type="checkbox"/> (L)
-------------------------------------------------	--------------------------------------------------------------	------------------------------------------------

(b) WHAT IS THE POTENTIAL RISK TO THE COUNCIL'S REPUTATION?
(Consider the following impacts – legal, financial, political, media, public perception etc...)

High risk <input type="checkbox"/> (H)	Medium risk <input type="checkbox"/> (M)	Low risk <input checked="" type="checkbox"/> (L)
-------------------------------------------	---------------------------------------------	-----------------------------------------------------

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

- Yes No If yes, please provide details below

Q7 HOW DID YOU SCORE?
Please tick the relevant box

MOSTLY H and/or M → HIGH PRIORITY → EIA to be completed
 Please go to Section 2

MOSTLY L → LOW PRIORITY / NOT RELEVANT → Do not complete EIA
 Please go to Q8 followed by Section 2

Q8 If you determine that this initiative is not relevant for a full EIA report, you must provide adequate explanation below. In relation to the Council's commitment to the UNCRC, your explanation must demonstrate that the initiative is designed / planned in the best interests of children (0-18 years). For Welsh language, we must maximise positive and minimise adverse effects on the language and its use. Your explanation must also show this where appropriate.

The proposal is a change in the way the Allotments are managed with the move away managed with the move away from Council Management to Management by the members themselves in the form of Allotment Associations. There is no change to the service only the way in which it is managed. New lease agreements would be compliant with the Equality Act 2010 and the Welsh Language (Wales) Measure 2011 where applicable.

Equality Impact Assessment Screening Form

Section 2

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email – no electronic signatures or paper copies are needed.

Screening completed by:
Name: Adrian Skyrme
Job title: Strategic Estates
Date: 09/01/2018

Approval by Head of Service:
Name: Geoff Bacon
Position: Interim Head of Services for Strategic Estates and Facilities
Date: 09/01/2018

Please return the completed form to accesstoservices@swansea.gov.uk



Report of the Cabinet Member for Children, Education & Lifelong Learning

Cabinet – 15 February 2018

Local Authority Governor Appointment

Purpose:	To approve the nominations submitted to fill Local Authority Governor vacancies in School Governing Bodies
Policy Framework:	Local Authority (LA) Governor Appointments Procedure (Adopted by Council on 26 October 2017)
Consultation:	Access to Services, Finance, Legal
Recommendation(s):	It is recommended that: 1) The nomination recommended by the Chief Education Officer in conjunction with the Cabinet Member for Children, Education and Lifelong Learning be approved.
Report Author:	Gemma Chapman
Finance Officer:	Chris Davies
Legal Officer:	Stephanie Williams
Access to Services Officer:	Sherill Hopkins

1.0 The nominations referred for approval

1.1 The nominations are recommended for approval as follows:

1. Pontarddulais Primary School	Cllr Kevin Griffiths
---------------------------------	----------------------

2.0 Financial Implications

2.1 There are no financial implications for the appointments; all costs will be met from existing budgets.

3.0 Legal Implications

3.1 There are no legal implications associated with this report.

4.0 Equality and Engagement implications

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

Background papers: None

Appendices: None



Report of the Cabinet Member for Environment Services

Cabinet – 15 February 2018

Financial Procedure Rule 7 Local Transport Fund Grant 2017/18

Purpose:	To confirm the bid for Local Transport Fund (LTF) Grant and seek approval for expenditure on the proposed schemes and projects in 2017/18. To comply with Financial Procedure Rule No. 7 (Capital Programming and Appraisals): to commit and authorise schemes in the Capital Programme.
Policy Framework:	Local Transport Plan 2015 – 2020
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: - 1) The LTF schemes, together with their financial implications, are approved.
Report Author:	Ben George
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Catherine Window

1. Introduction

- 1.1 A funding bid for the Local Transport Fund (LTF) was submitted to the Welsh Government on 17th February 2017 in accordance with guidance from the Welsh Government. The guidance stated that there was a total funding pot of £19.8m and this would be allocated to schemes across Wales.
- 1.2 The City & County of Swansea submitted bids totalling £4.4million and the Welsh Government ultimately awarded funding amounting to £1.2million. This allocation was committed to the capital programme following approval by Cabinet on 20th July 2017.
- 1.3 The Welsh Government subsequently made a mid-year allocation to the City & County of Swansea's Local Transport Fund 2017/18.
- 1.4 This report seeks approval to commit these additional funds to the capital programme in accordance with the Financial Procedure Rules.

2. Submitted Bids

- 2.1. A total of £4,313,000 was bid for by the City & County of Swansea and the Welsh Government has subsequently allocated £1,110,440 spread across four schemes for 2017/18. The bid schemes and the successful funding allocations are shown in the tables below:

Table One – Summary of LTF Bids 2017/18

Scheme	Total LTF (£k)	Match funding (£k)	Total project cost (£k)
Baldwins Bridge Interchange	1541	0	1541
Links to NCN	1267	0	1267
Strategic Bus Corridors	1432	110	1542
Kingsbridge Cycle Link	73	0	73
Active Travel Mapping (see 3.3)	18	0	18
Total	4331	110	4441

Table Two – Summary of Allocations for Successful LTF Bids 2017/18

Scheme	Total LTF (£k)	Match funding (£k)	Total project cost (£k)
Baldwins Bridge Interchange	541	0	541
Links to NCN	364	0	364
Strategic Bus Corridors	115	110	225
Kingsbridge Cycle Link	73	0	73
Active Travel Mapping (see 3.3)	18	0	18
Total	1111	110	1221

2.2. The match funding requirement shown above is from a contribution from Revenue in 2016/17. This funding is revenue underspend from 2016/17 which has been capitalised to support the delivery of these capital assets in 2017/18. (See also the attached appendices).

2.3. Following these initial bids and allocations, which were made in February and March 2017 respectively, a further mid-year allocation was received from the Welsh Government in service of Swansea Urban Connections. This project will deliver improvements to the walking and cycling infrastructure. This additional allocation amounted to £200,000. The table below therefore summarises the final Welsh Government allocation for the Local Transport Fund 2017/18.

Table Three – Summary of Allocations for LTF 2017/18

Scheme	Total LTF (£k)	Match funding (£k)	Total project cost (£k)
Baldwins Bridge Interchange	541	0	541
Links to NCN	364	0	364
Strategic Bus Corridors	115	110	225
Kingsbridge Cycle Link	73	0	73
Active Travel Mapping	18	0	18
Swansea Urban Connections	200	0	200
Total	1311	110	1421

3. Details of Approved Schemes

3.1. The projects approved for funding are summarised below.

3.2. Baldwins Bridge Interchange – A £541,000 allocation was made to facilitate the ongoing delivery of this project. The Fabian Way Corridor has been the focus of a number of strategies and infrastructure investments in recent years in recognition of the high levels of development and growth

that are being realised and forecast over the coming years. The planned works for 2017/18 will build upon the business case delivered in 2016/17 to develop the much needed improvements planned for Baldwins Bridge. The project will follow two distinct strands:

- 3.3. *Baldwins Bridge Detailed Business Case: A Strategic Outline Business Case (SOBC)* was prepared in 2016/17 to determine the strategic infrastructure demands for the Fabian Way Corridor over the coming years, to cater for both increase traffic flow and anticipated development traffic. The SOBC made a number of recommendations for the Corridor, and Baldwins Bridge was considered to be one of the most prominent requirements to support the development of this important arterial route and site for development.
- 3.4. The detailed business case will work to establish the necessary cost benefits metrics to support the significant capital investment which will be required to support the delivery of this very important item of infrastructure.
- 3.5. *Baldwins Bridge Detailed Design:* This work will build upon the options appraisal undertaken in 2016/17 to determine how a rearranged junction might be delivered in the coming years. The detailed design will bring this improvement to a position where the infrastructure could be delivered once a funding package is secured. The project will be developed in partnership with the Welsh Government, South Wales Trunk Road Agency and Neath Port Talbot County Borough Council.
- 3.6. Links to NCN – This project is a continuation of iterations which have preceded it in previous years. The Links to NCN is a project which seeks to build on the established walking and cycling network within the City & County of Swansea, by delivering new infrastructure to link this network with residential areas.
- 3.7. Whilst the original bid sought funding for six schemes, ultimately only one of these was allocated funding for 2017/18. The Orchard Street Shared Use Path will provide a 0.5km route to link Kingsway Circle with Swansea Railway Station. This route will also provide a missing link in provision for cycling, with existing infrastructure to the north and south, and ultimately facilitate onward links to the strategic cycle network.
- 3.8. The Orchard Street Shared Use Path will be delivered as an early phase of the Kingsway improvement works which will also commence in 2017/18.
- 3.9. Strategic Bus Corridors – Whilst the bid sought funding for a wide range of improvements to bus corridors in Swansea, an allocation was made only for one element of the scheme, which will seek to develop a concept for a South West Wales Metro. The Metro will seek to accommodate the transport needs of the Swansea Bay City Region over the coming years.

- 3.10. It is expected that this £115,000 will be used to employ external consultancy resource to support a collaboration project with the other Councils in South West Wales.
- 3.11. Kingsbridge Link: The delivery of the Kingsbridge Cycle Link will provide an off-road connection for the communities of Kingsbridge, Gorseinon and Grovesend to the National Cycle Network Route 4. This link is considered to be the most evident missing link in the strategic walking & cycling network within the City & County of Swansea, and would connect a substantial population to the benefits of the existing National Cycle Network Route 4. The proposed 1.4km route would link with an existing 4.9km section in the north, which links Kingsbridge, Gorseinon and Grovesend. At its southern point it would connect with National Cycle Network Route 4, which runs for a great distance to many onward destinations such as Swansea, Llanelli and Port Talbot.
- 3.12. This funding will be used to fund the delivery of the first phase of scheme, linking NCN4 and Gowerton Station to Fairwood Terrace. Whilst these capital works are delivered, a separate workstream will secure the land required to deliver the project, such that it will be in a state of readiness for construction in the following financial year.
- 3.13. Swansea Urban Connections: The additional funding given for this project will be used to service two principal improvements before the end of the financial year (2017/18). These are:
- 3.14. *Cwm Road Shared Use Path*: This project will provide a 1.2km shared use path for pedestrians and cyclists travelling between Llangyfelach Road and Morfa Road via Cwm Road and New Cut Road. This will connect existing provisions at either end of the route, and allow pedestrians and cyclists to bypass the busy Dyfatty junction.
- 3.15. *Mill Street Junction*: Improvements will be made at this junction to benefit pedestrian and cycle crossing and local traffic management. National Cycle Network Route 4 crosses this junction, providing an important point of connectivity for those travelling from or via Gowerton to Swansea City Centre and many other destinations on the National Cycle Network.
- 3.16. These improvements will include upgrades to the telematics equipment as well as the addition of an extra lane for southbound traffic from Victoria Road to encourage better traffic distribution and capacity at this junction.

4. Equality and Engagement Implications

- 4.1. Equality Impact Assessments will be undertaken in line with the Council's Legislative duties.
- 4.2. All schemes will be designed in accordance with the national design guidance and will be compliant with the Equality Act 2010.

5. Financial Implications

5.1 Baldwins Bridge Interchange (see Appendix A):

The scheme is comprised of two distinct bodies of work.

- Detailed Business Case: This is estimated to cost £70,000, which is wholly funded by LTF.
- Baldwins Bridge Detailed Design: This is estimated to cost £471,000 and will be wholly funded by LTF.

5.2 Links to NCN – Orchard Street SUP (see Appendix B):

The scheme will deliver shared use path enhancements between Kingsway Circle and High Street Station; with some improvements to walking and cycling infrastructure also being targeted to the area between High Street Station and Dyfatty Junction. The estimated cost of these works is: £364,000.

5.3 Strategic Bus Corridors (see Appendix C):

The scheme will deliver two principle elements.

- High Street Station Interchange improvements: This scheme will seek to improve interchange between bus and rail at High Street Station. This will involve the relocation of one of the bus stops to create a simplified arrangement for bus stops, enhanced electronic and intelligent information provision for bus and rail and improved routes through this area for those travelling by bicycle. Estimated cost: £110,000.
- South West Wales Metro Concept: This scheme will provide a means to enable consultancy resource to be employed to develop an outline concept for 'Metro for South West Wales'. This report will be prepared in partnership with the other Local Authorities in South West Wales, Carmarthenshire County Council, Neath Port Talbot County Borough Council and Pembrokeshire County Council. The four Councils will develop this concept under the banner of the Swansea Bay City Region. Estimated Cost: £115,000.

5.4 The allocation has been made to meet 93% of the total scheme cost. The City & County of Swansea will therefore contribute £9,000 as a match fund contribution. This will therefore be registered against the £110,000 expenditure at High Street Station as per the proposal contained in the original funding bid.

5.5 Kingsbridge Link (see Appendix C):

The scheme will deliver two elements.

- Phase 1 of the scheme, linking Gowerton Railway Station to Fairwood Terrace by means of a shared use path: £73k
- Purchase of land for future phases of the scheme: £10k*

*Please note these funds are accrued from 2016/17.

5.6 Active Travel Mapping (see Appendix D)

£18k has been allocated to meeting the requirements of the Active Travel Act. This scheme is wholly funded by LTF.

- 5.7 Swansea Urban Connections (see Appendix E)
£200k is allocated for two bodies of work.
- Cwm Road Shared Use Path – £120k
 - Mill Street Junction Improvements - £70k
- 5.8 Claims are to be made to the Welsh Government on a quarterly basis. The grant must be claimed in full by 31 March 2018 otherwise it will be lost.
- 5.9 Any revenue costs arising from capital schemes will be met by existing revenue budgets.
- 6. Legal Implications**
- 6.1. The grant funding will contain terms and conditions which are legally binding. The Council will need to ensure that it is able to comply with the same.
- 6.2. All works and services required to deliver the schemes must be procured in accordance with the Council's Contract Procedure Rules and European procurement legislation as appropriate.

Background Papers: Local Transport Fund Bid Documents

Appendices:

- Appendix A – Baldwins Bridge Interchange Financial Summary
- Appendix B – Links to NCN Financial Summary
- Appendix C – Strategic Bus Corridors Financial Summary
- Appendix D – Kingsbridge Link
- Appendix E – Active Travel Mapping Financial Summary
- Appendix F – Swansea Urban Connections Financial Summary

APPENDIX A – BALDWINS BRIDGE INTERCHANGE FINANCIAL SUMMARY

Portfolio: PLACE
Service : HIGHWAYS
Scheme : LTF - BALDWINS BRIDGE INTERCHANGE

<u>1. CAPITAL COSTS</u>	2017/18 £'000				TOTAL £'000
<u>Expenditure</u>					
Baldwins Bridge Business Case	187				187
Baldwins Bridge Design Development Fee	284 70				284 70
EXPENDITURE	541				541
<u>Financing</u>					
LTF grant	541				541
FINANCING	541				541

<u>2. REVENUE COSTS</u>	2017/18 £'000				FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees	)				0
Maintenance	) To be met from existing budgets				0
Equipment	)				0
Administration	)				0
NET EXPENDITURE	0	0	0	0	0

APPENDIX B – LINKS TO NCN FINANCIAL SUMMARY

Portfolio: PLACE
Service : HIGHWAYS
Scheme : LTF – LINKS TO NCN

<u>1. CAPITAL COSTS</u>	2017/18 £'000				TOTAL £'000
<u>Expenditure</u>					
Works	326				326
Fees	37				37
EXPENDITURE	364				364
<u>Financing</u>					
LTF grant	364				364
FINANCING	364				364

<u>2. REVENUE COSTS</u>	2017/18 £'000				FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees	)				0
	) To be met from existing budgets				0
Maintenance	)				0
Equipment	)				0
Administration	)				0
NET EXPENDITURE	0	0	0	0	0

APPENDIX C – STRATEGIC BUS CORRIDORS FINANCIAL SUMMARY

Portfolio: PLACE

Service : HIGHWAYS

Scheme : LTF – STRATEGIC BUS CORRIDORS

<u>1. CAPITAL COSTS</u>	2017/18 £'000				TOTAL £'000
<u>Expenditure</u>					
High Street Station Interchange Improvements	110				110
South West Wales Metro Concept	115				115
EXPENDITURE	225				225
<u>Financing</u>					
LTF grant	115				115
CCS Match Funding	110				110
FINANCING	115				115

<u>2. REVENUE COSTS</u>	2017/18 £'000				FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees	)				0
	) To be met from existing budgets				0
Maintenance Equipment	)				0
Administration	)				0
NET EXPENDITURE	0	0	0	0	0

**APPENDIX D – KINGSBRIDGE LINK
FINANCIAL SUMMARY**

Portfolio: PLACE
Service : HIGHWAYS
Scheme : LTF – KINGSBRIDGE LINK

<u>1. CAPITAL COSTS</u>	2016/17 £'000	2017/18 £'000	2018/19 £'000s		TOTAL £'000
<u>Expenditure</u>					
Works	65				65
Fees	18				18
EXPENDITURE	83				83
<u>Financing</u>					
LTF grant	83				83
FINANCING	83	0	0		83

<u>2. REVENUE COSTS</u>	2016/17 £'000	2017/18 £'000			FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees	)				0
	) To be met from existing budgets				0
Maintenance Equipment	)				0
Administration	)				0
NET EXPENDITURE	0	0	0	0	0

APPENDIX E – ACTIVE TRAVEL MAPPING FINANCIAL SUMMARY

Portfolio: PLACE

Service : HIGHWAYS

Scheme : LTF – ACTIVE TRAVEL MAPPING

<u>1. CAPITAL COSTS</u>	2017/18 £'000				TOTAL £'000
<u>Expenditure</u>					
Active Travel Mapping	18				18
EXPENDITURE	18	0	0	0	18
<u>Financing</u>					
LTF grant	18				18
FINANCING	18	0	0	0	18

<u>2. REVENUE COSTS</u>	2017/18 £'000				FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees	)				0
	) To be met from existing budgets				0
Maintenance	)				0
Equipment	)				0
Administration	)				0
NET EXPENDITURE	0	0	0	0	0

APPENDIX F – SWANSEA URBAN CONNECITONS FINANCIAL SUMMARY

Portfolio: PLACE

Service : HIGHWAYS

Scheme : LTF – SWANSEA URBAN CONNECTIONS

<u>1. CAPITAL COSTS</u>	2017/18 £'000				TOTAL £'000
<u>Expenditure</u>					
Cwm Road Shared Use Path	120				120
Mill Street Junction Improvements	70				70
Fees	10				10
EXPENDITURE	200	0	0	0	200
<u>Financing</u>					
LTF grant	200				200
FINANCING	200	0	0	0	200

<u>2. REVENUE COSTS</u>	2017/18 £'000				FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees	)				0
	) To be met from existing budgets				0
Maintenance Equipment	)				0
Administration	)				0
NET EXPENDITURE	0	0	0	0	0



Report of the Cabinet Member for Environment Services

Cabinet - 15 February 2018

Highways and Transportation Commissioning Review

Purpose:	To report the findings of the H&T Commissioning Review and update members on progress
Policy Framework:	Sustainable Swansea – Fit For The Future
Consultation:	Legal, Finance, Access to Services.
Recommendation(s):	It is recommended that: 1) The recommended operating model be approved; 2) Progress on developing the strategic approach to transport is endorsed; 3) Progress on achieving financial savings is noted.
Report Author:	Stuart Davies
Finance Officer:	Paul Roach
Legal Officer:	Debbie Smith
Access to Services Officer:	Catherine Window

1. Background

- 1.1 The Highways and Transportation Commissioning Review was undertaken between June 2016 and January 2017. Further work was then requested on the strategic models and the need to consider the cross cutting review of transport which has impacts beyond the Highways and Transportation Service.
- 1.2 Considerable progress has been achieved since June 2016 with significant budget savings identified in the commissioning review having been accepted in the 2017/18 and currently being considered in the 2018/19 budget process.

1.3 The commissioning report has remained largely unchanged since January 2017 and this note provides a summary of progress relating to the commissioning report outcomes and cross cutting review.

2. Progress And Further Works

2.1 Since January 2017, the following matters have progressed:

- A Transport Steering Group has been established to ensure a robust corporate approach to all transportation matters for the Council;
- The Integrated Transport Unit has been created, with a manager having been appointed and staff transferred into the structure;
- Transport policy and strategy has been added to the Policy Development and Delivery Committee (PDDC) programme with an initial presentation given to the committee to provide an insight into the policy approaches and tensions;
- The budget process has agreed savings targets and budgetary proposals identified in this commissioning report for 2017-18 and 18-19 (subject to consultation). Members also considered the adverse measures within the report and opted not to implement these.
- A review of transport policy and delivery has been agreed and this is currently being scoped (see below) This also includes a cross cutting savings target of £2m linked to the wider discretionary transport costs incurred by the authority.
- An approach to electric vehicles (EV) for the Council and a strategy for the City and wider region is being developed. This will link strongly with the development of an energy strategy for the Council.
- Funding has been secured through the Local Transport Fund in 2017/18 to develop the concept of a Metro system to serve the City and the wider region. This work is being carried out in partnership with the three other authorities in the region.
- The Welsh Government has expressed a clear desire to see transport policy being developed on a regional footprint. This will be considered by the Regional Transport Directors Group and Regional Transport Forum and may lead to the need to formally constitute a regional transport structure.

2.2 It is proposed that the Transportation Cross Cutting Review will be delivered via the Transport Steering Group as many of these policies (and responsibility for associated finances) will sit within distinct directorates. This review will include all policies which impact upon transportation and will consider how we deliver both discretionary and statutory transport services in the future.

2.3 Whilst the programme scope and resource requirements are yet to be determined, it is anticipated that the programme will require some resources (e.g. specialist external consultancy) for specific work streams.

Consideration is currently being given corporately as to how these cross cutting reviews build in member engagement as part of the member led approach so all policies are “co-produced”.

- 2.4 The need for an additional policy support officer has also been identified in the commissioning review and this has been considered and agreed as part of the service improvement options in the budget process. This is critical to ensure there is adequate capacity to be able to respond to the increasing demands at a local and regional level.

3. Findings Of The Commissioning Review

- 3.1 Highways and Transportation already deliver services under a ‘hybrid’ operating model. That is, some services are delivered by our own staff, some are outsourced to ensure best value and some of our own services are sold to the private sector.
- 3.2 The Transformed Hybrid model clearly came out on top for all services in this review and is recommended as the adopted model.
- 3.3 A savings target of £1.1m was agreed for the 2017/18 budget year via the Budget Challenge process. The proposals underpinning that target were all established as part of this review.
- 3.4 Further savings proposals of £790k for the 2018/19 budget have been proposed as part of the current budget process (subject to consultation).
- 3.5 Further opportunities for savings do exist but some will only be deliverable if;
a) they align to the desired strategic direction; and
b) they are addressed as part of a wider ‘cross cutting review’.

As previously stated, to address this, the strategic work has been submitted to the PDDC programme and a Transportation Cross Cutting Review is being scoped.

- 3.5 The need to increase capital investment in the Highways infrastructure to prevent asset deterioration has been identified in the commissioning report and this has been highlighted in the proposals for the capital expenditure.

4. Equality And Engagement Implications

Any proposals developed and delivered as part of future works (via budget challenge, PDDC or cross cutting reviews) will be appropriately screened and/or consulted upon.

5. HR Implications

There are no specific additional legal implications as a result of this report. Any changes to workforce levels or terms and conditions will be dealt with in accordance with normal Council policies and procedures.

6. Financial Implications

All financial decisions have, or are now being pursued via alternative channels. This report does not therefore ask members to commit to any further financial commitments.

7. Legal Implications

There are no specific additional legal implications as a result of this report. Any changes to service delivery will be carried out in compliance with current legal requirements.

Background Papers:

Commissioning report for H&T

Appendices 1 -13

Table of Savings agreed from Commissioning report which have been taken from 2017/18 budgets

Appendices:

None

Report of the Head of Legal, Democratic Services & Business Intelligence

Cabinet – 15 February 2018

Exclusion of the Public

Purpose:	To consider whether the Public should be excluded from the following items of business.	
Policy Framework:	None.	
Consultation:	Legal.	
Recommendation(s):	It is recommended that:	
1)	The public be excluded from the meeting during consideration of the following item(s) of business on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Paragraphs listed below of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 subject to the Public Interest Test (where appropriate) being applied.	
	Item No's.	Relevant Paragraphs in Schedule 12A
	20	14
Report Author:	Democratic Services	
Finance Officer:	Not Applicable	
Legal Officer:	Tracey Meredith – Head of Legal, Democratic Services & Business Intelligence(Monitoring Officer)	

1. Introduction

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

2. Exclusion of the Public / Public Interest Test

- 2.1 In order to comply with the above mentioned legislation, Cabinet will be requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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

3. Financial Implications

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

4. Legal Implications

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

Background Papers: None.

Appendices: Appendix A – Public Interest Test.

Public Interest Test

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

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

Agenda Item 20.

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

Document is Restricted

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

Document is Restricted