



Dinas a Sir Abertawe

Hysbysiad o Gyfarfod

Fe'ch gwahoddir i gyfarfod

Y Cabinet

Lleoliad: Siambr y Cyngor, Neuadd y Ddinas, Abertawe

Dyddiad: Dydd Iau, 21 Mehefin 2018

Amser: 10.00 am

Cadeirydd: Cyngorydd Rob Stewart

Aelodaeth:

Cyngorwyr: J E Burtonshaw, M C Child, R Francis-Davies, D H Hopkins, E J King, A S Lewis, C E Lloyd, J A Raynor a/ac M Thomas

Gwahoddir Hefyd:

W Evans, M Sherwood

Mae croeso i chi ddefnyddio'r Gymraeg. Os dymunwch ddefnyddio'r Gymraeg, rhowch wybod i ni erbyn canol dydd ar y diwrnod gwaith cyn y cyfarfod.

Agenda

Rhif y Dudalen.

- 1. Ymddiheuriadau am absenoldeb.**
- 2. Datgeliadau o fuddiannau personol a rhagfarnol.**
www.abertawe.gov.uk/DatgeliadauBuddiannau
- 3. Cofnodion.** **1 - 3**
Cymeradwyo a llofnodi, fel cofnod cywir, gofnodion y cyfarfod(ydd) blaenorol.
- 4. Adroddiad(au) Arweinydd y Cyngor.**
- 5. Cwestiynau gan y cyhoedd.**
Rhaid i'r cwestiynau ymwneud â materion ar ran agored agenda'r cyfarfod, ac ymdrinnir â hwy o fewn 10 munud.
- 6. Hawl i holi cyngorwyr.**
- 7. Ymchwiliad Craffu i Waith Ranbarthol** **4 - 29**
- 8. Craffu cyn penderfyniad - Arfarniad o opsiynau ar gyfer mwy o gartrefi ar safle Parc yr Helyg.**
- 9. Arfarniad o opsiynau ar gyfer mwy o gartrefi ar safle Parc yr Helyg** **30 - 45**

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Cyfarfod Nesaf: Dydd Iau, 19 Gorffennaf 2018 ar 10.00 am

Huw Evans

Huw Evans

Pennaeth Gwasanaethau Democrataidd

Dydd Mawrth, 12 Mehefin 2018

Cyswllt: Gwasanaethau Democrataidd - Ffon: (01792) 636923

Agenda Item 3.



City and County of Swansea

Minutes of the **Cabinet**

Council Chamber, Guildhall, Swansea

Thursday, 17 May 2018 at 2.00 pm

Present: Councillor R C Stewart (Chair) Presided

Councillor(s)

W Evans
C E Lloyd

Councillor(s)

R Francis-Davies
J A Raynor

Councillor(s)

D H Hopkins
M Thomas

Apologies for Absence

Councillor(s): M C Child, A S Lewis and M Sherwood

179. Disclosures of Personal and Prejudicial Interests.

In accordance with the Code of Conduct adopted by the City and County of Swansea, the following interest(s) were declared:

- 1) Councillor J A Raynor declared a Personal and Prejudicial Interest in Minute 187 "Local Authority Governor Appointments" and withdrew from the meeting prior to its consideration.

180. Minutes.

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

- 1) Cabinet held on 19 April 2018.

181. Leader of the Council's Report(s).

The Leader of the Council made no announcements.

182. Public Question Time.

No questions were asked.

183. Councillors' Question Time.

No questions were asked.

184. Report of the Safeguarding PD&DC - Joining Up Services Around Children.

The Chair of the Safeguarding Policy Development & Delivery Committee presented a report which outlined the Committee's progress in relation to the Council's commitment to continue to develop services that join up around the child.

Resolved that:

- 1) The feedback from the Committee be noted.

185. Review of the Statement of Policy for Licensing.

The Cabinet Member for Commercial Opportunities & Innovation presented a report which sought agreement for the draft of the revised Licensing Policy to be issued for consultation.

Resolved that:

- 1) The proposed changes to the Council's Statement of Policy for Licensing be agreed;
- 2) The revised Policy be issued for consultation prior to reporting back for adoption.

186. Review of the Policy on the Licensing of Sex Establishments.

The Cabinet Member for Commercial Opportunities & Innovation presented a report which sought approval for the draft of the revised Policy on the Licensing of Sex Establishments to be issued for consultation.

Resolved that:

- 1) The proposed changes to the Council's Policy on the Licensing of Sex Establishments be agreed;
- 2) The existing "relevant localities" for the purposes of determining applications for sex establishments and the "appropriate number" of sex establishments for each locality be retained;
- 3) The revised Policy be issued for consultation prior to reporting back to Council for adoption.

187. Local Authority Governor Appointments.

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

Resolved that:

- 1) The following nominations recommended by the Chief Education Officer in conjunction with the Cabinet Member for Children, Education and Lifelong Learning be approved:

1)	Brynhyfryd Primary School	Margaret Greenaway
2)	Crwys Primary School	Donna Woods
3)	Cwmrhydyceirw Primary School	Barbara Miller
4)	Hendrefoilan Primary School	Pamela Cole
5)	St. David's RC Primary School	Laura Northey

188. Increased Planned Places at Penybryn Special School.

The Cabinet Member for Children, Education & Lifelong Learning presented a report which sought approval to consult on a proposal to increase the planned places at Penybryn Special School from April 2019.

Resolved that:

- 1) Permission to consult on increasing the planned places at Penybryn Special School from April 2019 be approved;
- 2) Agreement be given to seek additional corporate revenue funding to support the establishment of these increased planned places;
- 3) The responses following the consultation period be considered by Cabinet.

189. Welsh Government Targeted Regeneration Investment Programme 2018-2021.

The Cabinet Member for Economy & Strategy presented a report which sought approval of the South West Wales Regional Plan for Regeneration.

Resolved that:

- 1) The South West Wales Regional Plan for Regeneration, to deliver the Welsh Government's Targeted Regeneration Investment Programme 2018-2021 be approved.

The meeting ended at 2.17 pm

Chair

Published: 17 May 2018

Agenda Item 7.



Report of the Regional Working Scrutiny Inquiry Panel

Cabinet – 21 June 2018

Scrutiny Inquiry into Regional Working

Purpose:	This report presents the findings, conclusions and recommendations resulting from the Panel's Inquiry into regional working. The Cabinet is required to consider the recommendations and agree action.
Policy Framework:	Council Constitution.
Consultation:	Legal, Finance
Recommendation(s):	It is recommended that: 1) Cabinet receives the report and tasks the relevant Cabinet Member to report back to a Cabinet meeting with a written response to the scrutiny recommendations and proposed action(s) for Cabinet decision.
Report Authors:	Councillor Lyndon Jones Michelle Roberts
Finance Officer:	Paul Cridland
Legal Officer:	Tracey Meredith
Access to Services Officer:	Catherine Window

1.0 Introduction

- 1.1 This report presents the findings, conclusions and recommendations resulting from the scrutiny inquiry into regional working. The Scrutiny Panel's final report, appended, requires a Cabinet decision.
- 1.2 In accordance with the Council Constitution reports from scrutiny to the Executive are presented to the first available Cabinet meeting. The convener of the Panel will present the report and accompanying recommendations.

2.0 Scrutiny Programme Committee

2.1 The Scrutiny Programme Committee on 11 June 2018 discussed and agreed the report for submission to Cabinet.

3.0 Cabinet Decision

3.1 At this meeting Cabinet are being asked receive the report and task the relevant Cabinet Member to prepare a written response on behalf of Cabinet. The Cabinet Member's response report should be scheduled for a future Cabinet meeting **no later than two months** following formal receipt of the scrutiny report*.

3.2 In their response report the Cabinet Member should recommend approval or rejection of each of the scrutiny recommendations together with an explanation. Within their report the Cabinet Member should also provide a proposed action plan to show what steps are being or will be taken to implement recommendations. Cabinet will then make a decision on the Cabinet Member's response report.

4.0 Follow Up

4.1 The Panel will schedule a follow up on progress with the implementation of the action plan agreed by Cabinet and impact of the scrutiny inquiry, and report their views to the Scrutiny Programme Committee. The panel convener and the Scrutiny Officer will ensure that a review of progress against accepted recommendations is scheduled into future work programmes. Usually a progress report will be requested by the Panel within 6-12 months after the action plan has been agreed by Cabinet.

5.0 Equality and Engagement Implications

5.1 Equality and engagement issues were formally considered at the scoping stage of this inquiry and borne in mind by the panel throughout evidence gathering. The Cabinet Member will need to ensure that implications are considered via application of the corporate Equality Impact Assessment process when considering the response to the recommendations.

6.0 Legal Implications

6.1 There are no specific legal implications at this stage.

7.0 Financial Implications

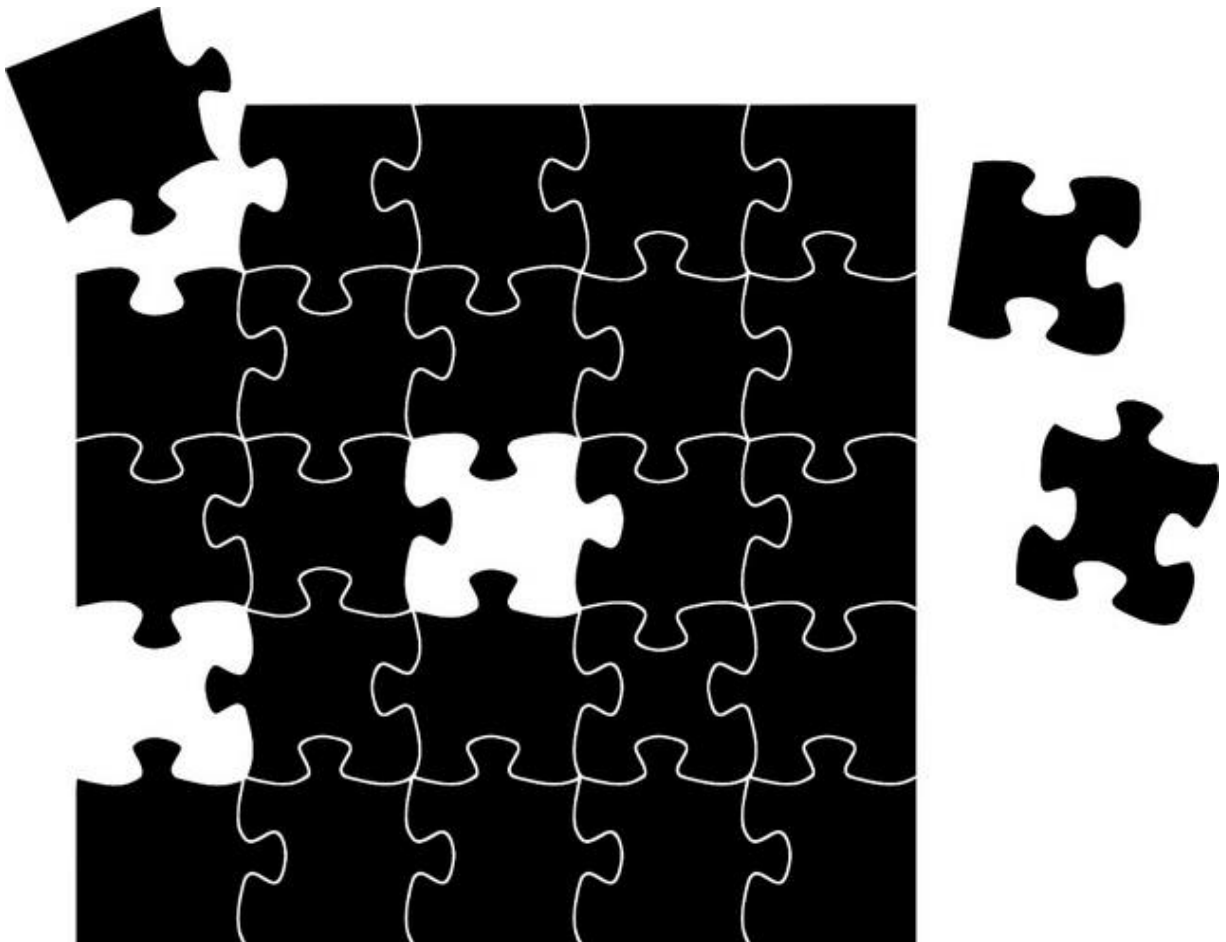
7.1 There are no financial implications to this report. Any potential implications will be outlined in the Cabinet response.

Background Papers: None.

Appendices: Appendix A – Final Inquiry Report.

Regional Working Scrutiny Inquiry

How can the Council, along with its partners, develop and improve regional working for the benefit of Swansea and its residents?





Why This Matters

Foreword by Councillor Lyndon Jones

We chose to look at this issue because we wanted to ensure that throughout the changing picture in regional working in Wales, the outcomes of the people in Swansea are our key focus.

We found regional working in Wales to be a complex and confusing picture. More clarity is needed by the Welsh Government as to whether they favour the amalgamation of Councils, more regional working or indeed a combination of both.

We were pleased to hear that Swansea has been consistently open to considerations on merger and other regional working options. We were also encouraged to find that some regional activities are making a real difference to local people.

However regional working must show a real benefit for the people of Swansea and therefore needs to add value and not be seen as another layer of bureaucracy. We welcome the opportunity, through this inquiry, to give our views on this issue that will be reflected via the Councils response to the Green Paper consultation.

We heard about the potential detrimental effect of protectionism in some of the regional partnerships and would urge all those involved in collaboration activities to ensure that they are thinking about and focussing upon what is best for the people.

We did have a particular concern about the amount of scrutiny and therefore the accountability to local councillors of some of our regional collaborations. We would particularly like to see the big three partnerships (Western Bay, Education through Regional Working and Swansea Bay City Region) activities to have clear accountability and scrutiny process built into their governance arrangements. We would also like to see any future new large collaboration activity to build in scrutiny early in its development.

We hope that Cabinet will find this report useful and that our recommendations will go some way in helping Swansea map the way forward for its regional working activities.

I would like to thank the members of the Inquiry Panel who gave their time and commitment and all those people who gave evidence and information to the Panel.

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1 WHY WE PRODUCED THIS REPORT

Overview

1.1 This report focusses on the following question:

How can the Council, with its partners, develop and improve regional working for the benefit of Swansea and its residents?

Selecting a topic

1.2 Councillors chose to look at this subject because:

- The Welsh Government has long seen collaboration between public services – and particularly within local government – as a means of providing more efficient and effective services.
- Collaboration has a higher profile than ever before. *'It is a central plank of the Wales' public service reform agenda in order to respond to the challenges presented by the tightening public services finances.'* **WLGA**
- Councillors carried out this work in order to build a picture and gain better understanding of progresses being made in this area.
- Councillors wanted to look at the scrutiny processes that are being developed within regional partnerships.

The Panel agreed to investigate the following aspects and these formed the basis of this questioning strategy:

1. **The Swansea Picture:** What is the regional picture as it affects Swansea currently? What are the proposals for the future? Where do we want to be?
2. **Financial Picture:** What are we financially contributing too currently? How is this envisaged to change in the future?
3. **Regional Partners:** The current relationship between Swansea and its regional partners? The barriers to improving this.
4. **Impact:** What has been the impact for Swansea and its residents of regional working so far?
5. **Scrutiny:** What are the scrutiny mechanisms on regional partnership governance arrangements?
6. **Legislation and Directives:** What are the influences on regional working by national and local directives/policy/legislation?
7. **Good Practice:** Are there good examples of effective practice in regional working and how are we/partners using this to improve?

Intended Contribution of Inquiry

- 1.3 As a Panel we believe that we can make a valuable contribution to this topic. We recognise that, while there are no easy answers, success will only come from a conversation that everyone is able to contribute to. It is in this spirit that our conclusions and recommendations are offered.
- 1.4 Specifically this report aims to contribute to this vital debate by:
- Offering proposals for improvement
 - Providing a Councillor perspective
 - Drawing together some general principles
 - Pointing to good practice examples
 - Sharing the views of different people involved
- 1.5 We recognise the limitations of the inquiry. Given the complexity of the topic and the time that we had this report necessarily provides a broad view.
- 1.6 Finally, many of our conclusions are in line with the Council's current direction of travel and these are offered in order to provide reassurance. Others may be either additional or contrary to what has already been agreed. These are intended to offer challenge and to stimulate debate. Where we have made recommendations these are intended to help improve the service.

Evidence Collected

- 1.7 Evidence was collected between October 2017 and March 2018. The evidence gathering activities undertaken included:
- a. National and Local Strategic picture – a meeting with the Council Leader and Chief Executive
 - b. Financial Picture – meeting with the Chief Finance Officer
 - c. Place Directorate – meeting with Director of Place
 - d. Education Directorate – meeting with Chief Education Officer
 - e. Social Services and the Public Services Board – meeting with the Chief Social Services Officer and the Director of People
 - f. Partners' perspective – roundtable meeting with Place Directorate partners from South West Wales Transport Partnership, Swansea Bay City Region and Food Waste Partnership
 - g. Partners' perspective – roundtable meeting with People Directorate partners Western Bay and Education through Regional Working (ERW)
- 1.8 For full details of the evidence gathered including details of all the findings from each session use the following link to the Councils website
<https://democracy.swansea.gov.uk/documents/s42378/00%20-%20FINDINGS%20REPORT.pdf?LLL=0>

The Context of the inquiry

- 1.9 ***The Swansea Picture***
Swansea is committed to regional working and collaboration through the Councils Corporate Priorities/Plan and has committed to the Council having a

clear understanding of the extent of its collaborative work by

- A mapping exercise undertaken by the Corporate Management Team identified the key local, regional and national partnerships.
- The Council meets up regionally with 5 other local authorities to discuss collaboration projects.
- The Council has a clear rationale in place when collaborating and it is clear on the anticipated benefits and costs. The Council has developed, through the Public Services Board (PSB), a set of principles for partnership working. Benefits and costs are assessed on a case by case basis.
- The PSB has identified clear priorities, which are set out within the Swansea Wellbeing Plan. These are based upon an evidenced assessment of need, which is regularly updated.
- A partnership agreement sets out the responsibilities and accountabilities of each PSB member.
- A multi-agency Scrutiny Performance Panel for the PSB, including its partnership role and the delivery of the Service Improvement Plan, has been established and is currently developing its work plan.

2 CONCLUSIONS

The conclusions below answer the following inquiry key question: *How can the Welsh Government, the Council and its partners, develop and improve regional working for the benefit of Swansea and its residents?*

2.1 By Welsh Government providing clarity and simplifying the regional picture across Wales

- 2.1.1 We recognise the reasoning behind the Welsh Government reform agenda, especially after looking at the issues faced by local authorities across Wales in relation to getting better value for money from limited resources and the resulting affordability of services. The challenges that are being faced by the public sector in Wales are enormous and therefore require a radical but realistic rethink of how services can be provided. We agreed with the caveat that this must always be in the context of ensuring the central focus is ultimately on citizen's outcomes.
- 2.1.2 We found there to be a confusing picture of regional partnerships with differing working footprints across Wales. Part of the confusion exists where agencies are working across different footprints but also where different partnerships cover different areas. We recognise that this pattern has evolved over time but more clarity around this is needed.
- 2.1.3 Through all this confusion we must ensure that we focus on the outcomes of our citizens. It is important to understand the implications of the decisions that are likely to be made and be prepared for how this will affect the services to our local community here in Swansea. We believe eventual mergers must be about what is best for our communities and not just geography.
- 2.1.4 We were of the view the public sector is constantly looking for clarity in a constantly changing picture, this in itself is both challenging and confusing.

2.1.5 Towards the end of the inquiry the Panel were alerted to a recent announcement that was made by the Welsh Government (20 March 2018). This puts forward plans for potential options for improving joint and partnership working in the form of a Green Paper. We were of the view that this will potentially change the way forward from what had previously been talked about. This will have different implications on how the local authorities will move forward in both their collaborative partnerships with other organisations and in their joint working with other local authorities.

Welsh Government announcement on local government reform was received in a Green Paper, “*Strengthening Local Government: Delivering for People*” on 20 March. The main proposal within the green paper is that the 22 councils in Wales are reduced to ten on the following footprint.

- Ynys Mon (Anglesey) and Gwynedd
- Conwy and Denbighshire
- Flintshire and Wrexham
- Ceredigion, Pembrokeshire and Carmarthenshire
- Swansea and Neath Port Talbot
- Bridgend, Rhondda Cynon Taf and Merthyr Tydfil
- Vale of Glamorgan and Cardiff
- Newport and Caerphilly
- Powys
- Torfaen, Blaenau Gwent and Monmouthshire

The new map would look like this:



The consultation suggests three alternative approaches to the transition from 22 to 10 authorities, namely: voluntary mergers; a phased approach with early adopters merging first by 2022 with all other authorities merging by 2026; a single comprehensive merger programme to be completed by 2022.

The expectation is that existing regional arrangements will continue around the education consortia, and the City and Growth Deals. Consultation on the proposals is now open and ends on 12 June 2018.

- 2.1.6 We agreed with Swansea Council Chief Executive when he said that it is helpful that Welsh Government has set out the proposal clearly but we did also share his concern about the confusion caused after the previous assurance that no reorganisation would occur for ten years. We understand that a number of Councils are likely to react negatively to the proposed return to some of the former county council footprints. We were of the same opinion that it is vital that we keep the main focus on services to the public during this process and that it must be about what the best model is for delivering sustainable and efficient local government services. We recognise that the Green Paper is currently out for consultation and we will need to wait and see if these proposals survive intact following the consultation process.
- 2.1.7 We heard from the Chief Executive that Swansea has consistently been open to considerations on merger but it is unclear what the views of our neighbours are. Meetings are being held over coming weeks to respond to the consultation.
- 2.1.8 We also heard that the six councils in Mid and South West Wales have all expressed the preference to collaborate on the economic development footprint and extend that to go beyond economic development to school improvement and health and social care.
- 2.1.9 We did have concerns about the confusion that will potentially be caused to existing collaborations by any mergers. For example the Welsh Government may see them as being in sync but if Swansea and Neath Port Talbot Councils were to agree to merge they may have a very different view on, say, the revised national model for education that will shortly be published. We were concerned that this could potentially freeze/delay decision making on some collaborations until there is clarity.
- 2.1.10 We had heard, previous to the Welsh Government announcement in March, that there is significant change underway at a regional level, following previous announcements and meetings around Local Government Reform (LGR) in Wales. The Welsh Government had set out its proposal for mandatory regional working and Joint Governance Committees (JGC) emerging from a recent White Paper Consultation process. The mandated services would include: economic development, Transport, Strategic land use, planning and building control, Social Services, Education improvements and additional learning needs and Public protection.

It was also suggested in the previous paper that the Joint Governance Committees (JGCs) will be responsible for effective planning and delivery of these mandated areas. We heard that there would be two types of JGCs Governance and Service. Governance JGC for each region will be made up of elected members. They would be decision making bodies with consistent levels of delegation from each Local Authority. New legislation will set out their duties and powers.

How this will change or work in conjunction with the any of the changes proposed in the green paper announced by the Welsh Government in March is yet to be clarified. Presumably any new mergers will still be required to

work across wider regions on many services like for example Education.

- 2.1.11 Councillors heard that existing partnership structures will be maintained within the new framework and will co-exist. It was proposed that there will be three large partnership regions: North Wales, Mid and West Wales and South East Wales. Swansea will be part of Mid and West Wales and will include: Ceredigion, Powys, Pembrokeshire, Carmarthenshire and Neath Port Talbot. Again it is yet to be clarified how these will co-exist in any new arrangement.
- 2.1.12 The Panel did have concerns about these mandated models. Particularly their potential for creating another layer of bureaucracy that will require officer time and resources and potentially make decision making more difficult and bureaucratic with each decision needing to be considered by each individual local authorities Cabinet before JGC.
- 2.1.13 We felt the Welsh Government should determine once and for all their approach to local government reform and particularly the strategy for mergers. The constant sidestepping of the issue is unhelpful and confusing for all. It is hoped that more clarity will arise following the Green Paper consultation.
- 2.1.14 Firm arrangements for scrutiny have not been considered yet across any of these models. However the original White Paper summary highlighted that the JGC approach should be coupled with a joint regional scrutiny arrangement. That work should not be duplicated between regional and local authority scrutiny and the one local authority should be the lead for an individual joint scrutiny committee. It was felt that this work should be taken seriously.

Swansea's Current Regional Working Partnerships

A review of Swansea's current regional partnerships shows:

- The Council is currently involved in around one hundred partnership/collaboration areas. The 'big three' being City Region, ERW and Western Bay.
- Excluding the major contributions to ERW, the City Region, and Western Bay, the Council also makes an annual cash contribution to the administration of these projects and partnerships.
- Swansea Council officer time on partnership equates to around 600 days per year. This excludes those posts which are specifically funded for regional work in order to understand Swansea Council's commitment.

- 2.1.15 We were informed that Swansea currently is part of at least 100 regional partnerships of different sizes and complexities, requiring different levels of officer support and financial contribution. Some of these are national or regional networks while others manage services and budget allocations and/or grant monies.

2.2 By addressing the challenges to harmonisation that regional working requires

2.2.1 We recognise that work has begun and will need to continue across the original and within any new partnerships that will harmonise aspects of the collaboration arrangements for all those involved. Currently there are many cross overs in responsibility and remit including, for example, the co-existence of Joint Governance Committees and the Public Services Board. The harmonisation across different regional clusters that are currently in existence and changes that have or may be planned will need to be addressed. For example: the increase in size of the footprint of City Region and the changing coverage of Western Bay from 4 to 3 partners. These types of large changes have consequences for the existing or original local authorities in those partnerships. The Panel felt it important to ensure that partnerships have the resilience built in to be able to work through such big change.

2.2.2 We found there to be a number of key challenges to local government reorganisation relating to harmonisation that need to be considered. We emphasise the importance of finding ways to address and/or mitigate the effects of these in our current and future partnerships and in whatever model is agreed by Welsh Government moving forward. These are not insurmountable but need to be recognised and dealt with. Some of the challenges and potential barriers are around policy, systems particularly ICT, terms and conditions of staff and council tax charges.

We found these challenges to include for example:

- Co-existence and harmonisation of Joint Governance Committees, potential mergers and the different regional clusters that are already in place, like for example, for ERW and the City Region.
- The risk that Welsh Government may introduce a new framework which is either not aligned to, or has detrimental effect on those current partnerships which are proving to be beneficial. The Panel heard that the Welsh Local Government Association is urging Welsh Government to:
 - Work with Local Authorities to review current arrangements, making improvements where needed
 - Review the current binding agreements between councils, as additional legislation may be unnecessary
 - Consider regional variations, not take a 'one size fits all' approach
 - Consider the regional framework agreements early in the process before everything is formalised.
- There is also a risk that regional decisions will need to be taken through each Local Authorities' decision-making process which could take time and make change slow to implement. .

Swansea's 'Big Three' Partnerships include:

Western Bay Health and Social Care

Western Bay consists of Swansea, Bridgend and Neath Port Talbot Councils and the Abertawe Bro Morgannwg University Health Board (ABMU). The Western Bay Programme delivers integrated health and social care models for older people, children with complex needs, mental health, learning disability and support for carers. The Western Bay programme supports collaborative working between the above statutory partners together with the third and independent sectors.

Education through Regional Working (ERW)

ERW is partnership of 6 local authorities including Swansea, Neath Port Talbot, Powys, Ceredigion, Carmarthenshire and Pembrokeshire Councils. The main purpose of this consortium is to deliver a single school improvement service and this includes for example: school improvement, data collation and analysis, delivering national system for categorising schools, providing challenge to schools performance and delivery.

Swansea Bay Region City Deal

The Swansea Bay City Region is comprised of four local authorities: Pembrokeshire County Council, the City and County of Swansea, Neath Port Talbot Council and Carmarthenshire County Council. These are underpinned by a supportive network, including the region's further education establishments: Coleg Ceredigion, Pembrokeshire College, Coleg Sir Gar, Gower College Swansea and Grwp NPTC, Swansea University and University of Wales Trinity St David's. The City Deal programme encompasses 11 projects across 4 key themes of Economic Acceleration, Life Science and Well-being, Energy, and Smart Manufacturing.

Swansea's has a wide variety of partnerships, other than the big three, just a few of these include (see full list in Appendix 1:

The Western Bay Contest Board, Regional Transport Forum, South West Wales Food Waste Hub, Wales Biodiversity Partnership, Institute of Licensing (Wales), Cross Borders Project (Housing). All Wales Rough Sleeping Partnership, South Wales Resilience Forum.

- 2.2.3 We also feel it important to stress the importance of taking the local context and needs of an area into consideration and ensuring that regional Business Plans are reflect this.

2.3 By recognising positives, identifying and addressing the barriers to regional working for Swansea and its partnerships

- 2.3.1 Evidence suggests that there are a number of strengths and positives resulting from regional working which are proving to be of benefit. We recognise these positives will help in developing and moving towards regional working in whatever form it takes. From the evidence we gathered we found that some of the strengths of regional working include:

- The sharing of good practice, innovation and ideas. ERW has found this to be a real positive with authorities helping each other to improve.
- Pooling of resources can enable greater capacity and consistency. Western Bay describe some the benefits to this approach in a variety of ways from economies of scale through shared learning, to the advantages of integrated services at the front end of service delivery, from joint commissioning arrangements to sharing good practice. The real positive improvement above all this has been in quality with the use of a regional framework which includes a set of quality standards used by care providers.
- The sharing of information and business intelligence.
- Joint planning and performance management. Western Bay felt that the funding environment at the moment can make for people to be far more introspective than outward looking but this can be positive in that people need to take a fresh look and change services and this can result in new and innovative ways forward.
- Joint management of major/high risk projects and shared responsibility but

identifying these common risks can be a challenge.

- The shared training, development and networking opportunities.

2.3.2 We heard from Zac Shell, a representative on the South West Wales Waste Partnership from Bridgend Council, who talked about his and Bridgend Councils experience of regional working partnerships relating to waste matters. He said that working across the region particularly on procurement matters was good for economies of scale.

He highlighted a particularly tangible benefit to collaborative working last year with the development of a new food waste procurement that included Bridgend and Swansea Councils. Welsh Government supported it with 25% funding and it is now proving financially beneficial to both Councils. The facility was built in Bridgend and has resulted in economic benefits through local employment opportunities.

He said that it had been a very positive outcome but it did take a substantial time to deliver. It has been a learning curve. He explained the initial bid process started in 2008 when a number of other Local Authorities were involved but the preferred bidder pulled out. After this failed procurement situation some of the Local Authorities lost appetite for it or found other solutions. In the end, only Bridgend and Swansea took up this opportunity, which despite being a long winded process, was successful in the end.

2.3.3 Whilst we recognise there are many benefits to regional working we also found some potential weaknesses that will be challenging. We found these to include:

- Local authority areas with diverse and different needs requiring different local priorities, for example urban deprivation vs rural sparsity
- Formal regional partnership decision making arrangements can be slow
- When there is little formal financial contribution, new processes and partnerships operating on existing stretched resources
- Potential loss of locality focus and/or duplication, there is a risk that local voice and local difference is masked or lost especially in partnerships with a wide population
- Different terms and conditions of employment across organisations if sharing services.
- Different perception/understanding of language across different parts of the partnership. It is Important to agree a common language.
- Use of different ICT programmes where it is difficult, if not impossible, to share data. Western Bay have experienced this and are currently putting in place a new system that will improve and give capacity to look at data together. Health are arranging there timetable to come on board in consideration of potential risks. The Panel agreed that this will make a real difference in the ease and timeliness of sharing information.
- Ability of Councils to commit Councillors and Officers to these collaborative activities.

- In relation to the Bridgend/Swansea food waste procurement exercise a number of challenges were experienced including the effort and time it took to go through the procurement process. In addition the challenge of getting Welsh Government funding was positive for the exercise but the procedure is onerous and very time consuming. The business case exercise is very challenging. They found that it is very important that you get all the necessary departments within your own council working together and on the same page when you are involved in any regional process.
- One of the barriers that can be found when working across a number of Local Authorities or organisations that must be addressed is protectionism. The Panel found that this does still exist in many partnerships but in some it has reduced as the collaboration has matured and trust has been developed. For example one person felt that it has improved as all partners see the overall benefits of working across the region. But there is the threat that some partners feel that the system is not serving them as well as it is others; each local authority serves and answers to its own citizens. The Panel felt that this is why it is important that each partner signs up to a joint plan identifying the regions priorities and commits to it.
- The Panel did feel that protectionism can seriously frustrate regional collaboration, and can have quite significant effects at some levels in partnerships. The Panel considered how we could improve this situation, hearing that some solutions could be to:
 - Ensure the collaboration has strong political and senior management leadership and director (senior leadership play a pivotal role in shaping the ethos of the partnership)
 - Celebrate people on the ground and the work they are doing, improving bottom up.
 - Good communication right through the partnership and especially in those areas of potential blockage like middle management.
 - Having a common and shared vision.

2.3.4 We recognise that change is not easy and needs careful management and clear communication. Transforming processes and asking people to do things differently can be hard.

2.3.5 Welsh Government reform agenda presents a number of opportunities but some areas the Panel saw as potential for threat/risk. Some of those identified include:

- Some activities will give rise to greater efficiency by delivering on a regional footprint. Although the Panel agreed that these have to be clearly scoped with clear opportunities for rationalisation identified, ensuring that current or improved levels of service are assured.
- Welsh Government is increasingly directing funds via regional partnerships and are encouraging collaboration through this avenue. The allocation of resources through for example ERW and Western Bay have increased hugely, the caveat is the need to continue to prove that this is being done collaboratively.

- The prevention agenda and in adhering to the Future Generations Act legislation councils may not be able to solve issues or future challenges individually without wider collaboration with other Local Authorities and other partners including the third and private sectors.
- The Panel spoke to the Director of People about the Public Services Board (PSB), which is currently contained within the Swansea Council boundaries. They heard that some members of the partnership are keen for the PSB to move to a regional model around a larger footprint like that of Western Bay. The benefit of this to some partners is clear, for example, reducing multiple attendances by them to different individual Local Authorities meetings. Welsh and Wales Government is encouraging working on a regional basis.
- Resilience was raised, members recognised that as budgets shrink, there are increasing concerns that some services particularly in smaller councils are unsustainable by an individual authority in isolation and greater collaboration will be a way to address this.
- Changes to the established footprints for regional collaboration have been identified and are seen as a risk, especially the impact that this may have on existing projects, respective financial contributions and ability to provide a stipulated level of service. The example of changes to the Western Bay footprint was cited as an example. The Panel heard that the Welsh Government consulted on changes to the ABMU Health Board footprint, to cover only Swansea and Neath Port Talbot, with Bridgend being served by Cwm Taf in future. This will impact primarily on the Western Bay arrangements and plans to manage this transition are underway.
- Differing priorities can be a risk for a region for example the ERW footprint. Where the majority of the region is rural those issues can potentially predominate and this can then be reflected in the allocation of funding within that region. The Panel heard that some areas are better delivered regionally such as strategic transport planning and economic development strategies and the Panel felt that formalising these aspects would be beneficial. We heard particularly about the regional transport planning aspect and the need for more mandation to secure partnership arrangements.
- The Transport Strategy Officer for the South West Wales Regional Transport Partnership, Ben George, attended the Panel to discuss their experience of working regionally. We heard that he believes governance of a partnership is very important. He explained that the South West Wales Regional Transport Partnership does not currently have a formal governance structure as the Consortium was dissolved in 2014. Partners from across that region have agreed it important to keep the collaboration going as they do not want to lose the good partnership working, the skills and knowledge of its members. They do not want to have to start from the beginning if they need to work together formally again, so they currently work together informally in the meantime. All the Local Authorities in this partnership recognise and value it. It was thought that a legally mandated structure for transport would be part of the new City Deal developments

but this has not happened. There is currently no voice at a national level because the governance structure have been stripped away. We recognise this reasoning and stress how the close links of transport run through many aspects of the Wellbeing of Future Generations Act.

2.3.6 We agreed that whilst there is ongoing debate about how regional working will progress, it is important for the Council to be active in whatever the emerging picture should look like and share in its future. It is hoped that in developing a way forward that Welsh Government whilst looking at the national and regional picture also understand the benefits of services being accountable locally. Councillors emphasised the importance of local knowledge and accountability in delivering the best outcomes for our local communities.

2.4 **By all regional partnerships having good governance, challenge and scrutiny arrangements**

2.4.1 We looked in most detail at the governance arrangements of the big three partnerships that include ERW, Western Bay and City Region, looking particularly at their governance models and scrutiny arrangements. Our findings are detailed as follows.

2.4.2 ***Education through Regional Working (ERW)***

ERW has fully formed Governance Arrangements, whilst there are many challenges and there is room for improvement it does include a Joint committee, an ERW Service Committee and an informal scrutiny mechanism. It has an established Regional Forward Work Programme that details regional and local priorities. They have audited and published accounts and are inspected by Estyn. The Consortium has produced a document called [Democratic Accountability and Scrutiny](#) and in it there is recognition of the role of scrutiny, particularly in:

- Holding the Joint Committee to account and reviewing its decisions
- Scrutinising the work of the ERW partnership
- Helping to develop new policies and developing existing ones; and
- Monitoring the budgets and performance

2.4.3 ***The City Deal***

The City Deal is in the development stages of practical formation and detailed agreement, the main heads of agreement have been signed between UK and Welsh Governments and local partners, there is not a level of detail yet that clarifies the final position for Swansea individually. There is currently a joint working agreement across the partnership in relation to Finance and Legal, and Swansea's Section 151 Officer is the financial representative. No final formal agreement has been reached yet but it is anticipated that all local partner councils will take reports to their Cabinet/Council shortly. We heard that senior officer and member time involvement has been and will remain significant. Scrutiny arrangements have not yet been agreed but will be built into the partnership both locally and at a regional level. It is envisaged that the governance structure will be similar to that of ERW.

2.4.4 ***Western Bay***

Western Bay is a partnership with the primary purpose of providing a strategic

mechanism for co-ordinating a programme of change across the health and social care system through number of projects that partners have identified as a common concern. Many of the services and resources managed through Western Bay are pooled.

We heard that there are many positives but also some challenges including that the decision making for Western Bay can be long and drawn out because the Joint Committee cannot make decisions alone and can only recommend through each Local Authorities individual Cabinet Committees. We thought that maybe this aspect of the Governance arrangement should be revisited to look at enabling decision making to provide more timely outcomes.

We were concerned to hear that there is no formal scrutiny arrangement for Western Bay, although there is individual accountability via local scrutiny bodies. The Panel heard that most partners involved in the partnership were keen to develop a scrutiny arrangement but one local authority does not. All members have to be in agreement for governance processes to change. Therefore no progress can be made on this.

- 2.4.5 The National Assembly for Wales Communities, Equality and Local Government Committee carried out an inquiry in 2013 into progress made with local government collaboration. We recognise that this was some time ago now but we stressed that some aspects still resonate, namely:

It is clear from the evidence they received that there are significant issues to be addressed in terms of how collaborative arrangements are scrutinised at a local level, and in terms of where accountability for collaboration work lies within local government. We heard, for example, of the difficulty faced by local authority back-benchers in scrutinising collaborative arrangements and are unsure whether provisions under the Local Government (Wales) Measure 2011 for joint overview and scrutiny committees are sufficient to overcome the 'crisis of accountability' that witnesses referred to. This is an issue that needs to be addressed and prioritised. They put forward a recommendation to Welsh Government *'The Welsh Government should work with local authorities to ensure appropriate arrangements are in place to enable effective scrutiny of collaborative arrangements, particularly by back-bench members'*.

- 2.4.6 We discussed and considered what we thought regional scrutiny should look like and how it should work in large collaborations. We considered formal Joint Scrutiny Committee arrangements and those more informal arrangements like that used by ERW. From our view either model is fine as long as it enables back bench members to hold to account and scrutinise the work of large regional collaborations. The advantage of informal scrutiny arrangements is that of less bureaucracy and formality. The development of scrutiny arrangements via the informal route also prepares the way with relationship and system building should there be a requirement to develop formal Joint Scrutiny Committee arrangements in the future.
- 2.4.7 We also emphasised the importance of continued scrutiny on the ground at a local level where services are delivered and outcomes seen. We heard that local scrutiny arrangements within individual authorities are in place and

accountability within Swansea Council is clear but less clear is how scrutiny and accountability of the regional bodies are carried out. We understand that ERW have an informal system in place, that the Swansea Bay City Region is considering this model. Western Bay are interested in using this model, but there are currently no plans to take that forward.

- 2.4.8 We would therefore like to see at least an informal scrutiny arrangement like the one used by ERW within all large partnerships. It was felt that in the future scrutiny should be built in to all new governance arrangements at an early stage. This should then ensure that accountability processes have been considered and built in rather than being an afterthought. It was also felt important that information on the reason for and the value of the role of scrutiny is provided when partnerships are forming.

2.5 By ensuring partnerships/regional collaborations are involving the right organisations including the third and private sector

- 2.5.1 Councillors were keen to hear about the learning points taken from the experience of developing the Wellbeing Plan via the Public Service Board partnership. We felt that it was important that these were shared and used when assessing and developing partnerships moving forward. These include:

- Agreement on a vision and long term thinking is vital
- It remains a challenge to retain drive and ownership across all partners
- Trust must be developed across partnerships as so much depends on individuals and their approach
- It remains a challenge to retain focus on achieving a small number of top priorities, and not get dominated by detail
- Appropriate balance between bottom up and top down approaches need to be struck in terms of agreement on delivery
- Governance arrangements help to provide assurance but do not guarantee successful outcomes

- 2.5.2 The Panel felt it important to ensure that the right people are involved within regional collaboration activities and that this may include the third sector and/or private organisations. The delivery of for example the City Deal will not be possible without the involvement of the private sector.

- 2.5.3 We heard that the Western Bay Programme had evolved since 2012, and supports collaborative working between four statutory partner organisations, together with the third and independent sectors.

- 2.5.4 The Social Services and Well-being (Wales) Act 2014 brought about new requirements on statutory partners in the way that services are delivered and the outcomes for citizens. It requires the Local Authority and Health Board to make arrangements to promote co-operation with their relevant partners.

- 2.5.5 ERW said that they have not fully formed their partnership working with private, third or independent sectors but that is on the radar for the future.

2.6 **By assessing future resource requirements, ensuring we are learning from past experience and that our future planning is joined up**

2.6.1 We agreed with evidence from the Leader and Chief Executive when they said that we must learn lessons from past experience including other local government reorganisations and attempts at shared services. This along with evidence received as part of this inquiry has helped us to develop a picture of what a good and effective partnership might look like. We believe this will include:

- Strong leadership both political and officer level
- Common systems used across the partnership
- Good communication at every level and with stakeholders
- Good, clear and visible governance and collective decision making
- Good relationship development and build trust in relationship
- Built in resilience
- Champions, sponsors and leads in each partner organisation who can see bigger picture and maintain interest in the partnership
- The need to have a guiding coalition and shared vision
- Councils and its partners committing time and resources to the progression of ideas
- Clear leadership with allocation of time, focus and priority.
- Good governance structures underpin clarity for all those involved. ERW have had some challenges around lines of accountability with staff not sure if they are working for the Local Authority, the region or both. ERW are currently reforming the way they are working to resolve some of these issues
- Harmonise training and skills of staff
- Harmonise employment terms and conditions and other workforce related policies when pooling staff
- Harmonisation of culture of the different teams working together
- A common language and understanding of key aspects.
- Ability to share information and use ICT systems across partnership where appropriate.

2.6.2 We agreed with evidence presented to us by the Director of Resources about what partnerships we participate in, including the need to look at what works well in those partnerships and what needs improvement moving forward. We supported the view that it is important to identify those collaborations that are not adding value and reconsider our participation in them.

2.6.3 We heard that Swansea currently contributes directly to regional working activities by following amounts ERW £68,750, Western Bay £223,000 and City Region £50,000. Excluding these 'big three' the Council makes an annual cash contribution of a total of around £329,010 to all other partnerships. Officer time is not included within these figures and this is estimated to be substantial, at least 600 days per annum plus in many cases the travel cost of going to meetings etc. The Panel recognise that this will only increase as the amount of regional collaboration increases. We also heard that there is currently no systematic way of recording officer time spent on regional

working activities but that an audit of this and all regional working has been carried out and was reported to the Panel. We heard that time taken on regional work is not routinely recorded because officers have to some extent accepted this as part of the 'local job'.

- 2.6.4 With such a large amount of officer time spent in regional working activities, the Panel felt it important that our commitments to different activities should be reviewed regularly to ensure that they are essential and provide value for officer time spent (recognising that some that we must be part of). They agreed with the Director of Resources when she said we need to be SMART about the activities we participate in regionally.
- 2.6.5 Councillors heard about the various Regional and All Wales Networks that exist. These cover various working groups with the opportunity to collaborate and share best practice, some of these cover for example, Waste Management, Highways and Transportation, Energy, Housing, Training and Development, homelessness and many more. Many of the groups generally have direct access to Welsh Government and in many cases UK government, which is critical when developing new or changing existing policies. The Panel recognised the importance of participating in these regional and national networks but we must ensure that they add value to the work we do. We suggest that a review takes place of these groups to see if they can be rationalised.
- 2.6.6 We must learn lessons from our experience in the past and also seek out good practice available not only locally but from across Wales and wider afield to help build strong, resilient and effective regional partnerships.
- 2.6.7 We agreed with the representative from Bridgend Zac Shell who said after going through a grant application process with the Welsh Government that he felt better guidance and a more streamlined service from Welsh Government would be highly beneficial. It is a long and drawn out process applying for Welsh Government Funding. We did understand that it is important that the public sector go the extra mile for due diligence when spending public money but would be keen to see the process simplified given that grant applications for collaboration activities are being encouraged and will increase moving forward.

2.7 By ultimately ensuring that regional working activities are clearly demonstrating positive impacts for the residents of Swansea

- 2.7.1 There are some clear benefits and advantages to collaborative working and we should build on these positive experiences, particularly those that are showing direct improvement to our local community. A good example of this was cited in the Western Bay programme of integrated services delivery for service users. Having a shared and co-ordinated regional approach has helped in consistency of service levels while enabling an ease of access to those services.
- 2.7.2 It is important that in the rush to move forward we do not lose the good practice, experience learnt and relationships built.

Example of Potential Future Impact of regional working

The Swansea Bay City Region is a critically important driver for the Welsh and UK economy. However the region is underperforming. The Regions GVA has fallen from 90% of the UK average to 77% over the last three decades with low productivity and high economic inactivity. The economy also has a reliance on traditional primary industries and the public sector for employment.

The Swansea Bay City Deal will generate £1.3 billion of private and public money to be spent over 15 years. The City Deal will provide the region and its partners with the new ways of working and resources to unlock significant economic growth across the Swansea Bay City Region. It provides the opportunity to continue tackling the areas to economic growth. It is estimated that an overall increase to the economy of over 9,000 gross direct jobs with a contribution to regional GVA of £1.8 billion.

- 2.7.3 We looked at the National Assembly for Wales Communities, Equality and Local Government Committee inquiry into progress made with local government collaboration (2013). Although the Panel recognise that this was some time ago they feel are many of the points made and recommendations contained are still relevant. In particular *'we firmly believe that the focus of any future local government system should be on the delivery of services and the best way to deliver specific services in specific areas. The number of organisations delivering those services should be a secondary consideration, after it has been decided how different types of services could be most effectively delivered on the ground'*. The Panel agreed with the recommendation made *'the Welsh Government should focus on the areas which collaboration will have the most beneficial outcomes, rather than pursuing a general policy of encouraging collaboration across the piece'*. The Panel were also in agreement with the statement *'adequate provision of resources at the outset can lead to long-term benefits with regard to collaboration'*.

3. RECOMMENDATIONS

We recognise that some of the recommendations are within the Councils control and some will be for our representatives on collaborations to progress through our partnerships. In context we felt that everything that we do must be for the benefit of the people of Swansea, to add value and that will not add another layer of bureaucracy. We also believe there must be the opportunity to scrutinise these bodies.

We therefore recommend that:

- 3.1 We continue to be ahead of the game by looking at positive ways forward for Swansea in Regional Working collaborations by being involved, where possible, in pilots/trials that may ease and prepare the way forward for us.**
- 3.2 Address or mitigate the barriers found in existing regional partnerships and use the lessons learnt to inform our new collaboration activities.**

- 3.3 Ensure that we learn particularly from previous large collaborations both positive and negative aspects to help ease our way into new partnership arrangements.**
- 3.4 Ensure all partnerships have an effective governance structure that has a suitable amount of elected member challenge built in, particularly scrutiny in those larger most impactful partnerships like Swansea Bay City Region, Western Bay and ERW.**
- 3.5 That each partnership has one clear structured lead that can facilitate communication between the partnership and scrutiny.**
- 3.6 That we ensure that the current financial and resource implications for Swansea (including quantifying officer time) are clearly and continually understood.**
- 3.7 That a review is undertaken of the regional bodies that we work with, to see if any can be rationalised or amalgamated. We must be SMART about the partnerships which we are involved in to ensure we are adding value for time spent.**
- 3.8 That modern technology is used for meetings to reduce travel time, including, for example skype, video conferencing. Ensuring the right facilities are available for Councillors and staff and that they are encouraged and trained to use them.**
- 3.9 Make more use of the third and private sector bodies in our collaboration activities.**
- 3.10 Make representations to Welsh Government through our different working partnerships about streamlining and simplifying the business case and grant application process.**
- 3.11 Partnerships regularly review their governance, membership and impact. This should include the publishing of an annual report.**

The Panel will schedule to follow up upon the progress made with these eleven recommendations in 9-12 months.

4.0 ACKNOWLEDGEMENTS

The Panel would like to record its thanks to the following people who came and gave evidence to us:

- Helen Morgan (City Deal)
- Betsan O'Connor (ERW)
- Sara Harvey (Western Bay)
- Ben George (South West Wales Regional Transport Partnership)
- Zak Shell (Waste Partnership - Bridgend)
- Swansea Council Corporate Management Team
- Cllr Rob Stewart, Council Leader

5.0 ABOUT THE INQUIRY PANEL

The **Regional Working Scrutiny Inquiry Panel** is a team of Councillors who are not members of the Cabinet. Their role is to examine a strategic issue of concern and to make recommendations about how policies and services can be improved.

Members of the Panel

Councillors

Lyndon Jones (Convener)

Joe Hale

Chris Holley

Mary Jones

Bridgette Rowlands

Mo Sykes

Mike White

The inquiry was supported by Michelle Roberts from the Council's Scrutiny Unit.

For further information contact:

Michelle Roberts, Scrutiny Officer

Swansea Council

Michelle.roberts@swansea.gov.uk

01792 637256

Appendix 1 – Partnerships that Swansea Council Participate in

Summary of Partnership Audit (as at September 2017)

Total number of partnerships	100	Main PSB not specifically included although all sub-groups are in this figure
Total Officer days per year	594	Where posts are externally funded to specifically attend partnership meetings these have not been included
Total cash contribution	496,110	This is cash contributions to partnership working not equivalent officer time or any payment in kind

Corporate Resources

PSB Research Group (a subgroup of Swansea Public Services Board)
Welsh Statistical Liaison Committee (WSLC)
Census Advisory Group (Wales)
CLIP Labour Market Statistics sub-group (CLIP = Central Local Information Partnership)
Welsh Gazetteer Officers Group
Cymru WARP (Warning, Advice and Reporting Point) - ICT Security
Regional WCCIS Project Team
WCCIS Configuration National Group
WCCIS National Training Advisory Group
National Informatics Social Care Advisory Group
Substance Misuse Data Information Analysis Board (DIAB)
Substance Misuse Key Performance Indicator working group (sub-group of DIAB)
National PARIS User Group
Welsh PARIS User Group
Society of Welsh Treasurers and Regional Treasurers
Welsh Treasurers VAT Group
HRA Business Plan periodic meeting
Shared Legal Service
HR Officers attending Western Bay
HR Officers attending ERW
South Wales Resilience Team Risk Group (SWRT) Risk Group
SWRT Managers Group
All Wales Mangers Group (Emergency Management)
South Wales Resilience Forum (SWLRF) Executive (on behalf of Director)
South Wales Local Resilience Forum Executive Group (on behalf of Director)
Western Bay Contest Board
Human Resources Directors Network (All Wales - WLGA)
China

Place

Swansea Bay City Deal Officer Working Group
RDP South West & Central Local Action Group
Workways + ESF employability project
Cynydd ESF young people support project
Cam Nesa ESF NEETs Employability Project
Valleys Task Force - Landscapes
Welsh European Funding Group
South West Regeneration Directors Group
RLPSWW employability group
South West Regional Engagement Team (WEFO)
Fisheries Local Action Group network
South West Wales Markets Forum
Wales region of the Association of Town Centre Management (ATCM)
Future Landscapes Wales Working Group
Planning Officers Society for Wales (POSW)

South West Wales Heads of Planning Group
Welsh Rights of Way Managers Group (WROWMG) - sub-group of the County Surveyors Society
Carnarthen Bay and Estuaries European Marine Site, Relevant Authorities Group
Wales Biodiversity Partnership
Association Of Local Government Ecologists(ALGE)
Glamorgan Biodiversity Action Group
Coed Cymru
South West Wales Regional Food Waste Hub
South West Wales Regional Waste Management Committee
South West Wales Waste Management Group
CSS Waste Wales
Mid & South West Wales Regional Consultancy Framework
Regional Transport Directors Group
Regional Transport Forum
South West Wales Regional Contractors Framework
CLAW
City of Culture Bid
Local Property Board
Cross Borders Project
Western Bay Regional Provider Forum
Housing Regional Collaborative Committee
Houses into Homes / Home Improvement Loans Western Bay Regional Group
Gypsy Traveller Forum
Registered Social Landlord Forum
Health and Housing Group
Prisoner Regional Resettlement Group
All Wales Rough Sleeping Task Group
Homelessness Network
Wales Heads of Trading Standards - National delivery of Animal Feeds Standards Enforcement and- National delivery of statutory Trading Standards weights and measure regulations
Wales Heads of Trading Standards
Cardiff/Swansea joint working arrangement
Directors of Public Protection Wales
Institute of Licensing (Wales Region)
LABC Cymru (Local Authority Building Control Wales)
All Wales Registration Services Group.
Continuous Improvement Forum for Bereavement Services

People

Western Bay Regional Health and Social Care Programme
Community Services Planning and Delivery Board
Western Bay Carers Partnership Board
Western Bay Heads of Children's Services Group
Regional Autism Spectrum Disorder Strategy Group
Welsh Community Care Information System (WCCIS)
Western Bay Contracting and Procurement Project
Workforce Development Steering Group
Western Bay Integrated Family Support Service
Western Bay Regional Safeguarding Adults Board
Western Bay Regional Safeguarding Children's Board
Regional Collaborative Committee Supporting People
Regional Area Planning Board (Substance Misuse)
Youth Justice and Early Intervention Service
Western Bay Regional Adoption Service
ERW
Western Bay Contest Board
Western Bay Regional Community Cohesion
PSB Planning Group (a subgroup of Swansea Public Services Board)

Agenda Item 9.



Report of the Cabinet Member for Homes & Energy

Cabinet – 21 June 2018

More Homes Parc Yr Helyg Site Options Appraisal

Purpose:	To update Members on which option should be progressed at Parc Yr Helyg, along with financial implications.
Policy Framework:	More Homes Strategy Council Constitution:- Financial Procedure Rules
Consultation:	Finance, Legal, Access to Services.
Recommendation(s):	It is recommended that Cabinet: 1) Consider the options as outlined in the report and confirm the preferred specification as Swansea Standard (with value engineering). 2) Note the emerging longer term development programme and approve the allocation of £500,000 for the scheme for Colliers Way Phase 2 for the enabling works, the detail of which will be delegated to Director of Place, in line with the requirement of FPR7.
Report Author:	Nigel Williams
Finance Officers:	Jayne James / Jeff Dong
Legal Officer:	Debbie Smith
Access to Services Officer:	Sherill Hopkins

1. Background

- 1.1 Following construction of the first pilot project at Colliers Way (formally Milford Way), Penderry, a report reviewing progress and any “lessons-learned” was approved by Cabinet on the 16th November 2017. It was agreed a further report would be presented to Cabinet to confirm which options should be progressed at Parc Yr Helyg, along with details of the final expected costs.

The mix of new homes for the Parc Yr Helyg scheme was determined as the following:

- 4 no. 2 bedroom units and 12 no. 1 bedroom units.

To ensure the scheme meets the Council's policy of tackling fuel poverty and future generation's obligations, it was agreed to build to a standard above building regulations as minimum standards were not deemed acceptable. As such, a comparison was to be made between the Passivhaus standard and a "fabric first" high-energy efficient property which will be referred to as a 'Swansea Standard'. This report deals with the outcome of these comparisons, along with the recommendations for Parc Yr Helyg.

2 Improvements from Lessons Learnt

As summarised in the Cabinet report dated 16th November, the lessons learnt included:

- i. Site selection
- ii. Timescale for delivery
- iii. Decision to proceed with Passivhaus house.
- iv. Design issue.
- v. Restricted supply chain procurement due to Passivhaus standard.
- vi. Enhanced specification choices.
- vii. Supplementary heating
- viii. Pilot scheme experience/Knowledge gained.
- ix. Review external works
- x. All costs "cost comparison" benchmark data

These were reviewed in order to try to assess the potential benefit and reduction in costs that these could make for Parc Yr Helyg and as such, the following principle changes were deemed necessary.

2.1 Changes to Specification

As stated in the Lessons Learnt report, the Council had not designed new homes directly for a generation which led to the decision being made to commission architectural and Passivhaus Support. In line with CPRs, a specialist Passivhaus advisor was appointed to prepare the Passivhaus designs for both Colliers Way and Parc Yr Helyg. Although the Passivhaus support/experience offered was extensive, issues did arise in relation to insufficient construction detailing and specification which caused problems in terms of accurately pricing the works, ensuring Building Regulations were met and designs being WHQS compliant. In addition, the site layout provided did not align with topographical & GIS data once further detailed analysis had been carried out.

These issues all impacted at site level, affecting both the programme and sequencing of construction works and would all still need to be considered if the option was to build again to Passivhaus Standard.

2.2 Changes to Size

There were no changes made to size as the original layouts would be used for both options, with the aim being that cost comparisons could be calculated on a 'like for like' basis in terms of size/scale.

The external stores housing the MVHR units have been omitted from the Parc Yr Helyg design, and the MVHR's units located within the property which would potentially reduce build cost. However this would apply to both Passivhaus and 'Swansea standard' at Parc Yr Helyg.

The properties will be built to design quality requirements and lifetime homes standards and as a result of the revision of the standard, there is now an opportunity to incorporate accommodation for families.

2.3 Local Supply Chain

A recommendation within the Lessons Learnt report was that there is a need to maximise the opportunities across the supply chain in particular target suppliers based in the locality. The sub-contractors and material supply chains used when pricing the two different options were primarily all from the South Wales Region, with one being from North Wales. It should be noted that for the Swansea Standard, the supply and installation of windows and doors were from a company based in England.

Should Passivhaus design be approved, it will be necessary for us to seek tenders from Welsh based timber frame companies.

3. Analysis of Options

3.1 Specification

3.1.1 Option 1: Passivhaus Standard

The specification to meet Passivhaus Standard is as follows:

Target U-Values for building fabric:

- External walls 0.125 W/m²k
- Roofs 0.095 W/m²k
- Ground Floor 0.090 W/m²k
- Windows 0.80 W/m²k

Airtightness Target – 0.6 ac/h@50Pa

Ventilation – Mechanical Ventilation Heat Recovery (MVHR)

Supplementary Heating/Hot water – Energy efficient, Gas fired condensing combination boiler (partial wet heating system – 3 radiators per property)

No tolerances for acceptable cold bridging.

3.1.2 Option 2: Swansea Standard

The specification required to meet the Swansea Standard is as follows:

Target U-Values for building fabric (25% above min. building regulations requirements):

- External walls 0.14W/m²k
- Roofs 0.11W/m²k
- Ground Floor 0.13W/m²k
- Windows 0.12W/m²k

Airtightness Target – 5m³/(m².hr)@50Pa (compared to 10m³/(m².hr) @50Pa required by Building regulations)

Ventilation – Natural and Mechanical extract ventilation

Heating/Hot water – Energy efficient Gas fired condensing combination boiler with full wet heat system.

Acceptable cold bridging tolerances allowed.

3.1.3 The main differences between the two options therefore are:

i. Building fabric thermal performances

Acceptable cold bridging tolerances are lesser than those of Passivhaus, giving flexibility on foundation types (this is not to say that certain types of foundation types can't be achieved using the Passivhaus standard, although it has been advised by the Passivhaus consultants that some methods would be assumed as extremely difficult/unable to be achieve)

Timber frame thicknesses would be reduced if the Swansea Standard option is chosen as the amount of insulation required to achieve targeted u-values are less than those required by Passivhaus standards.

ii. Extent of heating system

Heating systems for the Swansea Standard option would be that of a full wet system rather than partial. Energy efficient radiators will be installed to all necessary rooms with the combination of thermostatic radiator valves allowing occupiers to have more flexibility to adjust room heating to meet their individual comforts. (traditional and a familiar system)

iii. Ventilation requirements

Window and door specification for the Swansea Standard option would not have to be Passivhaus certified. Therefore, such items would be more readily available from Local Suppliers.

iv. Air tightness values

Items i and iii above contribute to the overall air tightness value which will be achieved which would be a maximum of 5m³/hr if the Swansea Standard option is chosen. Further details on this are provided in paragraph 3.3 below. The actual air tightness values will be confirmed following testing on site.

- 3.1.4 Both standards would have the options of the installation of renewables such as photovoltaics, solar panels etc. though it is assumed that the installation would likely to be less complex to the 'Swansea standard' due to the allowable tolerances in relation to air tightness/cold bridging.

3.2 Cost Analysis

3.2.1 Option 1: Passivhaus Standard

The Budget Cost for Parc Yr Helyg based on the Passivhaus design used at Colliers Way (incorporating where possible design changes identified from the Colliers Way scheme) is **£3,140,075 or £2,940/m²** as shown in **Appendix A**.

The above figures included all external works/drainage and design fees (inclusive of Planning & Building Reg. charges).

It is normal when reviewing costs and evaluating comparison to refer to "build costs" only as external works, services and groundworks will always be site specific and can vary considerably.

As such, the build cost equates to £1,761,458 with a cost per unit of £110k or £1,649/m².

The sprinkler costs included in the above figures are **£44,560** which when omitted to align with unit costs elsewhere in the UK reduces the build cost per m² to £1,608/m² (£1,761,458 - £44,560/1068 m²).

It should be noted that these figures reflect an increase on the Colliers Way scheme of 6% where the rate for flats was £1,511/m². This is primarily attributed to substantial increases in the timber frame and other sub-contractor package costs since the previous tender.

3.2.2 Option 2: Swansea Standard

The Budget Cost for Parc Yr Helyg based on the Swansea Standard specification as detailed in 3.1.2 above, is **£2,875,634 or £2,693m²** as shown in **Appendix B**. These figures include all external works/drainage and design fees (inclusive of Planning & Building Reg. charges).

It is normal when reviewing costs and evaluating comparison to refer to “build costs” only as external works, services and groundworks will always be site specific and can vary considerably. As such, the build cost equates to £1,518,852 with a cost per unit of £95k or £1,422/m².

The sprinkler costs included in the above figures are £44,560 which when omitted to align with unit costs elsewhere in the UK reduces the build cost per m² to £1,380/m² (£1,518,852 - £44,560/1068 m²).

3.2.3 External Works

Attention is drawn to the significant costs of external works amounting to in excess of £1m, which is significantly above the external works costs at Colliers Way site, which amounted to £646,379. This is due to the difficult nature of the sites and the need to divert overhead cables and major attenuation works to surface water drainage and the current need for retaining walls.

As a result of this significant cost, the construction and design team have looked at options in terms of redesign which would result in savings of approx. £150 – £200k.

As such whichever option is agreed, there would be a requirement for a revised planning application to enable significant savings to be achieved through value engineering of the external works. Therefore an anticipated start date of end of September 2018 is planned, regardless of which option is progressed.

3.2.4 Summary of Comparison

When considering Passivhaus versus Swansea Standard there is a potential cost saving of £242k or £226/m² on the building works using the Swansea Standard. This is equivalent to a 16% reduction on the Passivhaus costs.

Analysis of the “build costs” compared to BRE data indicate that the Passivhaus costs are 4% higher than BRE comparative figures however the Swansea Standard costs are 8% below BRE comparative figures as shown in **Appendix C**.

It should be noted that the BRE report (where the comparative figures are drawn from) was produced in February 2016 and build cost have increased since this time (The RICS BMI indices indicate construction costs have increased by approx. 8% since February 2016).

It should also be noted that the need for additional units of affordable housing needs to be balanced against the Council's objective to develop high quality energy efficient housing. The Swansea Standard helps to balance this need by providing the energy efficient housing using resources more efficiently. This will mean that more units can be delivered on future schemes.

3.3 Analysis of Potential Energy Savings

Due to the fact the Colliers Way scheme has only recently been completed, statistical data is not yet available on the Energy Savings made as a result of the Passivhaus design and as such, a comparison between this and the Swansea Standard is not possible at this stage.

For the purpose of this report, it is clear that the insulation for each design varies and as such, any potential energy savings would also vary accordingly. The main energy savings would be from the air tightness values, the requirements of which under standard Building Regulations are below 10m³ per hour. For Passivhaus, these need to be below 0.6m³ per hour. For Swansea Standard, which replicates Fabric First, the building would be looking to achieve a maximum figure of 5m³ per hour.

It is difficult to quote reliable data without detailed evidence and as such, monitoring equipment has been installed on the Colliers Way site to assess the performance of the properties over the next 2 years. However, the estimated difference between Swansea Standard and Passivhaus would be in the region of 10-20% of heating costs equating to circa £20 per year. It would be intended to install the same monitoring equipment on Parc Yr Helyg, whichever standard is used.

Given the Council's commitment to Fuel Poverty and Energy Efficiency, the design for any future schemes will consider more innovated solutions such as Air Source or Ground Source Heat Pumps, Photovoltaic panels and battery storage, if innovative housing funding is available to support this.

4 Funding Opportunities

4.1 Welsh Government Grant Opportunities

4.1.1 Innovative Housing Programme

Developing the Swansea Standard also gives the opportunity to build in renewable technology to further improve the energy performance of the homes. This may offer a chance for a successful bid for funding for the second round of Innovative Housing Programme to fund these additional elements. It is unlikely that a second Passivhaus scheme would be seen as innovative in the future bidding round, whereas developing a Swansea Standard may be more likely to attract grant.

4.1.2 Affordable Housing Grant

Welsh Government have also announced the introduction of Affordable Housing Grant (AHG) for Local Authorities. This will be an annual revenue grant to support 58% of the borrowing costs of the scheme over 30 years. This grant will be available for 18/19 and 19/20 and can be used to support the delivery of Parc Yr Helyg (Subject to the criteria which is yet to be confirmed). In addition, Welsh Government are looking to make additional borrowing available to councils that have ambitions to develop more affordable homes. In order to maximise the AHG opportunities, a third site which is proposed to be Colliers Way Phase 2 needs to be worked up. This site can then be brought forward should the additional borrowing from Welsh Government materialise in time for the Council to take advantage of the opportunity.

4.2 **City deal - Homes as Power Stations (HAPS)**

As part of the City Deal programme, one key strand relates to the progression of homes as power stations, which involves installation of energy producing assets for use on site and surpluses to be exported to the grid. It had been hoped that the city deal funding would have been able to be drawn down from the start of the financial year but it is currently looking more likely to be towards Autumn 2018. This could also be a potential funding source to support further innovation on top of the preferred specification.

5 **Financial Implications**

5.1 **Capital**

In February 2018, Council agreed a budget for Parc Yr Helyg as detailed in the table below.

	Passivhaus Cost £000's	Swansea Standard Cost £000's
2016/2017 Spend	107	107
2017/2018 Spend	112	112
Remaining Budget 18/19	3038	3038
Total Budget	3257	3257
Total Cost Forecast	3140	2876
Over/Under Budget	117	381

Savings, therefore for the Swansea Standard option over Passivhaus would be £264k

In February 2018, Council also approved a budget of £421k for the conversion of the former Clase DHO into units of accommodation and the purchase of a property in Acacia Avenue. This scheme will now be funded

from commuted sums. In addition, £100k of unallocated More Homes budget was carried forward from 2017/18. This budget could be utilised to allow a third scheme at Colliers Way to be progressed. A budget of £521k is proposed to commission design and enabling works.

5.2 Revenue

Whilst maintenance costs will be met from the existing Housing Revenue Account budget, the actual costs, particularly over the longer term are unknown as it depends on a number of factors in terms of extent of repairs or replacement versus the fact that there would be limited requirements over the initial years of a new build property.

It is believed by sourcing more “local” products this differential can be reduced on this scheme if the lessons learnt in this report are followed.

6. Equality and Engagement Implications

The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid to regard to the above.

An EIA screening form has been completed and reviewed (**Appendix D**). The agreed outcome was that a full EIA report is not required at this time. This will be reviewed as the project progresses and any developments will be subject to normal planning procedures. It is confirmed all new homes are being built to homes for life standards to ensure that accessibility is part and parcel of the design.

7. Legal Implications

All external goods and services will be procured in line with Contract Procedure Rules and European procurement regulations as appropriate.

All works will also be carried out in line with the Well-being of Future Generations Act (Wales) 2015. This lists seven well-being goals which provide a shared vision for Public bodies to work towards. These are:

- A globally responsible Wales;
- A prosperous Wales;
- A resilient Wales;

- A healthier Wales;
- A more equal Wales;
- A Wales of cohesive communities;
- A Wales of vibrant culture and thriving Welsh Language.

In addition to the above, the Act states that Public bodies need to ensure decisions they make take into account the impact they may have on people living their lives in Wales in the future. Public bodies must take into account five considerations in order to show they have applied the sustainable development principle. These ways of working are aimed at ensuring Public bodies work together better, avoid repeating past mistakes and tackle some of the long term challenges faced:

- Long Term - The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.
- Prevention - How acting to prevent problems occurring or getting worse may help public bodies meet their objectives.
- Integration - Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.
- Collaboration - Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.
- Involvement - The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.

8. Summary

The two options contained within this report both allow for significant improvements in relation to the energy efficiency compared to the current Building Regulations, with comparable savings being achieved on the energy bills for heating the property. We also have the option to include additional innovative energy efficiency measures which will further reduce the energy consumption.

Passivhaus is no longer recognised as being “innovative” whereas developing a Swansea Standard will be, which will allow us to explore the option of innovative funding via WG.

In addition to this, the Swansea Standard would realise an overall saving of £264,441 compared to Passivhaus on the Parc Yr Helyg scheme.

Background Papers: Cabinet Report: 16th November 2017

Appendix A: Cost Breakdown – Passivhaus Standard

Appendix B: Cost Breakdown – Swansea Standard

Appendix C: Cost Comparison

Appendix D: Equality Impact Assessment Screening Form

MORE HOMES PROJECT
COST BREAKDOWN
PARC Y HELIG (PASSIVHAUS)

*GFA - 1,068m²

<u>Description of Works</u>	<u>Cost (£'s)</u>	<u>Cost per m²</u> (Cost/GFA)
Dwellings Construction Cost	£1,761,458	£1,649.31
External Works & Drainage	£1,040,278	£974.05
Landscaping & Fencing	£69,892	£65.44
Sub Total	£2,871,628	£2,688.79
Fees & Charges @ 9% plus Planning Costs & Building Regulations	£268,447	£251.35
TOTAL BUDGET COST	£3,140,075	£2,940/m²

MORE HOMES PROJECT
COST BREAKDOWN
PARC Y HELIG (SWANSEA STANDARD)

*GFA - 1,068m²

<u>Description of Works</u>	<u>Cost (£'s)</u>	<u>Cost per m²</u> (Cost/GFA)
Dwellings Construction Cost	£1,518,852	£1,422.15
External Works & Drainage	£1,040,278	£974.05
Landscaping & Fencing	£69,892	£65.44
Sub Total	£2,629,022	£2,461.64
Fees & Charges @ 9% plus Planning Costs & Building Regulations	£246,612	£230.91
TOTAL BUDGET COST	£2,875,634	£2,693/m²

MORE HOMES**PARC Y HELIG****COST COMPARISONS**

The following cost comparisons are based on the property construction costs for the properties. They exclude Sprinkler Installation, External Works, Drainage, Service Trenches, Landscaping & Professional Fee's for comparable purposes.

The unit rates for Passivhaus and Fabric First have been derived from the BRE Client Report commissioned for CCoS, dated 15th February 2016 (with allowance made for sub structure works, which are not included in BRE report)

GFA 1068m²

PASSIVHAUS			
House Type	BRE Passivhaus Av. Build Costs Across UK	Parc Y Helyg Passivhaus	% Diff
Flats	£1,553	£1,608	-4%
SWANSEA STANDARD			
House Type	Housing Association Scheme (Fabric First)	Parc Y Helig Swansea Standard	
Flats	£1,496	£1,380	8%

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: Corporate Building & Property Services

Directorate: Place

Q1(a) WHAT ARE YOU SCREENING FOR RELEVANCE?

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

(b) Please name and describe below

Update on the options and recommendations of the second More Homes project at Parc yr Helyg.

Q2(a) WHAT DOES Q1a RELATE TO?

Direct front line service delivery	Indirect front line service delivery	Indirect back room service delivery
<input checked="" type="checkbox"/> (H)	<input type="checkbox"/> (M)	<input type="checkbox"/> (L)

(b) DO YOUR CUSTOMERS/CLIENTS ACCESS THIS...?

Because they need to	Because they want to	Because it is automatically provided to everyone in Swansea	On an internal basis i.e. Staff
<input type="checkbox"/> (H)	<input checked="" type="checkbox"/> (M)	<input type="checkbox"/> (M)	<input type="checkbox"/> (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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community cohesion →	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 Page 44

Equality Impact Assessment Screening Form

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)
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(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 checked="" type="checkbox"/> (M)	Low risk <input 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**
 It would affect all council services to a degree.

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 EIA screening form indicates there is no need for a full EIA at this time, however, this will be reviewed as the project progresses and any developments will be subject to normal planning procedures. Confirmation is given that all new homes are being built to homes for life standards to ensure that accessibility is part and parcel of the design.

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: Gordon Rees
Job title: Group Leader
Date: May 2018
Approval by Head of Service:
Name: Nigel Williams
Position: Interim Head of Corporate Building Services
Date: May 2018

Agenda Item 10.



Education & Skills Policy Development & Delivery Committee Report

Cabinet – 21 June 2018

City Deal Skills

Purpose:	To report back to Cabinet on progress of the developing policy on education and skills to meet the challenges of the City Deal.
Policy Framework:	Education & Skills corporate priority; City Deal
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) Cabinet consider the report on developing policy on education and skills to meet the opportunities provided by the City Deal and consider and endorse the actions identified in this report. 2) The Cabinet Member for Children, Education & Lifelong Learning work with officers to ensure that local arrangements are robust to meet the challenges and opportunities arising from the City Deal, including establishment of local partnership arrangements to feed into regional partnerships.
Report Author:	Nick Williams
Finance Officer:	Sarah Willis
Legal Officer:	Stephanie Williams
Access to Services Officer:	Catherine Window

1. Introduction

The Education & Skills Policy Development and Delivery Committee (PDDC) has been meeting regularly since July 2017. It has cross-party membership and is a forum for Council Members and officers to work together to form policy.

The PDDC determined that its work programme focused on the implications and opportunities represented by the City Deal and the implications for Swansea. Members have particularly been concerned

about issues of pace and scale, as well as ensuring that disadvantaged people are able to benefit from the jobs and growth that the initiative represents.

Within Swansea there is already work taking place to ensure arrangements are in place locally to respond to the scale of ambition needed. These include but are not exclusive to:

- Swansea Learning City with recognition from UNESCO
- Local Learner Voice participation events, including one focused on the new curriculum
- 14 – 19 Partnership to coordinate education and skills provision
- Pioneer Schools piloting new developments in the curriculum

The purpose of this report and following the work of the PDDC is to outline the way forward and increase the pace in this area to ensure that:

- the education system in Swansea has appropriate arrangements in place to meet the skills needed to effectively deliver the City Deal
- local young people are given every opportunity to be a part of those changes

As a result this work will contribute to our Well-being Objective 2 to make Swansea a great place to live well and age well.

2. The Work of the Committee in 2017/2018

The Committee invited speakers and held discussions on a series of items, in order to further develop their understanding of what work is already being delivered and where potential gaps and challenges might be:

- overview of the local authority role, regional bodies' roles, curriculum changes, Learning City initiatives and also the Regional Learning and Skills Partnership (RLSP)
- pioneer schools update, views of children and young people on STEM subjects and teacher training implications
- aligning 14-19 provision, Principal Gower College, plan to establish Partneriaeth Sgiliau Abertawe (PSA) / Swansea Skills Partnership (SSP) Board.

3. Action to be taken

3.1 Establish a Strategic Board - PSA / SSP

PDDC recommend to Cabinet that we set up the above strategic board to provide an effective education partnership. It will comprise of senior representatives from a range of organisations across the area, with the aim to make Swansea the best place to be educated in the United Kingdom (UK). We will develop policy on education and skills to meet the opportunities provided by the City Deal. We will work together to ensure Swansea is a place where children and young people will want to live and

work and have the skills to do so. We will work together to deepen and extend partnerships to benefit Swansea citizens.

3.2 The partnership will respond to the following priorities:

- promote and develop Swansea as a 'Learning City' and to be the best in the UK
- promote and develop Swansea as a 'Learning City' – aligning providers with a shared vision and values
- develop a local action plan to promote and develop Swansea as a 'Learning City' to inspire children and young people
- in partnership develop a road map for skills or the learning and earning pathway to reinforce the messages about agreement and collaboration at all levels in education
- identify and further develop cohesive opportunities for Swansea learners
- monitor and evaluate progress against the local action plan and ensuring appropriate linkage to the RLSP action plan
- identify and further develop careers advice including apprenticeships, jobs for the future and work-based learning and expand the focus to include key stage 3 and primary pupils
- in partnership with higher and further education providers identify and further develop initial teacher training and continuous professional development opportunities for school based staff and
- ensure apprenticeships and work-based learning align to future skills needs.

3.3 Membership

Local Authority (LA) - Director of People – Chair, Chief Education Officer, Cabinet Member for Children, Education & Skills, Cabinet Member for Economic Development, Head of Education Achievement and Partnerships, Head of Poverty and Prevention, Head of Economic Development.

Further Education (FE) / Higher Education (HE) - Principal of Gower College Swansea, Principal of Neath Port Talbot Colleges Group, Senior representative from University of Wales Trinity St David's (UWTSD), Senior representative from Swansea University.

3.4 The key points here are about effective overall pathways starting in early years' provision, and the wider needs analysis. In the past, the remit of the RLSP has been narrow – based around skills delivery for 16-19 year olds and on a wide geographic footprint across South-West and Mid Wales. We need to increase the pace of change to deliver the City Deal. PSA/SSP will provide a local geographic focus to ensure all children, young people and staff needs are considered.

3.5 Appoint a Strategic Co-ordinator for Education Skills

PDDC recommend to Cabinet that the LA appoint a Strategic Co-ordinator for Education Skills on secondment or a fixed-term contract for two years (September 2018 - August 2020). This position will sit within the Education Department and will report to PSA / SSP. This innovative role will be funded in partnership by the LA (from existing resource), Gower College and the Regional Skills Board.

3.6 The Strategic Co-ordinator for Education Skills will be responsible for:

- co-ordinate development of an action plan to promote and develop Swansea as a 'Learning City'
- co-ordinate monitoring and evaluation of an action plan to promote and develop Swansea as a 'Learning City'
- working in partnership to align 14-19 provision in the Swansea area
- raise the profile in schools and colleges the skills children and young people will need to meet the opportunities provided by the City Deal
- working in partnership to raise aspirations of children and young people with regard to science, technology, engineering and mathematics (STEM) and construction. A focus will be on developing participation and improving outcomes with a particular focus on girls and vulnerable learners
- working with partners to ensure all young people have access to good careers' advice and work experience opportunities
- oversee the effective alignment of school curriculum options and skills needs, ensuring pathways to employment are outlined for every age group
- oversee the alignment of new apprenticeships to future skills needs
- oversee the alignment of Learning Champions – people who can inspire and plant the seeds in pupils who might be disengaging
- further strengthen relationships between schools and the business sector and schools and the universities as partners for all levels of courses and qualifications
- working with the RLSP to promote with the citizens of Swansea the skills children and young people will need to meet the opportunities provided by the City Deal
- monitor performance of progress to meeting needs, and to ensure effective outcomes for learners, identifying areas for improvement
- involve children and young people in the development of new initiatives and ensuring they are able to exercise their right to have a say in decisions that affect them
- working in partnership locally and regionally to provide opportunities to upskill school based staff and trainee teachers in the subjects that children and young people will need to meet the opportunities provided by the City Deal
- working with the RLSP and PSA/SSP to undertake regular needs analysis and predictive modelling to respond effectively to the changing demands of employers in the local economy
- create and ensure alignment with City of Learning initiatives

- identify, develop and apply for additional funding to support these aspirations.

4. Conclusions

- 4.1 The RLSP has been providing a role coordinating post-compulsory and tertiary education for many years and covers the six local authority areas, including involving businesses and learning providers. There is little involvement of education professionals. This will be inadequate to undertake the role outlined above and PSA/SSP will provide a local skills partnership to address this gap.
- 4.2 PSA/SSP will engage with schools and members of the business community, including those involved in growth areas such as the digital sector and use their skills and knowledge through consultation, secondment, etc. This would support identification of needs and capacity building among providers.
- 4.3 The Strategic Co-ordinator for Education Skills will raise the profile of the opportunities provided by the City Deal with a range of key stakeholders.
- 4.4 The Strategic Co-ordinator for Education Skills will support the delivery of an action plan to increase the pace so that the education system in Swansea can have appropriate arrangements in place to meet the skills needs to effectively deliver the City Deal.
- 4.5 These activities demonstrate that in Swansea we are not merely waiting for others. We will work collaboratively. We will ensure that locally the actions and partnerships are ready to respond with agility, to respond strategically and therefore to increase the pace of change necessary in the education system.

5. Equality and Engagement Implications

- 5.1 None arising from this report. If Cabinet choose to progress with the model outlined, then the Council's EIA process will be applied. We hope that the enhanced involvement and engagement of children and young people will have a positive impact on decision-making and supports this Council's commitment to Children's Rights.

6. Financial Implications

- 6.1 None arising from this report. However, if Cabinet choose to progress with a different model for the RLSP arrangements, there could be resource implications at that point. Due to the challenging financial outlook, it must be assumed that any additional costs incurred as a result of these proposals will be met through existing resources, or through the introduction of additional savings proposals.

7. Legal Implications

- 7.1 None arising from this report. However, if a different governance set up is agreed going forward, legal advice should be sought at this stage as to the detail of how this will operate.

Background Papers: None

Appendices: None

Agenda Item 11.



Report of the Leader and Cabinet Member for Economy & Strategy

Cabinet – 21 June 2018

Council Tax Discretionary Relief Care Leavers (Aged 18 to 25)

Purpose:	To award Council Tax Discretionary Relief to care leavers aged 18 to 25 years old residing in the City and County of Swansea area as part of discharging the authority's duty as a corporate parent and supporting those care leavers.
Policy Framework:	The Single Integrated Plan
Consultation:	Access to Services, Finance, Legal, Social Services.
Recommendation(s):	It is recommended that Cabinet: 1) Exercises its discretionary powers to award a 100% Discretionary Council Tax Relief to the net Council Tax liability of all care leavers aged between 18 and 25 years.
Report Author:	Ben Smith
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1. Introduction

- 1.1 Recent reports and campaigns, including that of the Children's Society, have identified a range of disadvantages that care leavers experience and their vulnerability in respect of debt. The same issues have been identified by our own Social Services Department.
- 1.2 This report provides members with information in order that they may consider the use of discretionary powers to award reliefs from Council Tax for young people aged between 18 and 25 leaving care, as part of discharging the authority's duty as a corporate parent.

2. Background

- 2.1 The Children's Society has run an informative and successful campaign highlighting the issues facing young people leaving care who have to live independently and manage their own budget for the first time. Doing so often without the support of family or previous financial education. Information about the campaign can be found online - <https://www.childrenssociety.org.uk/what-you-can-do/campaign-for-change/a-fairer-start-for-care-leavers>
- 2.2 Swansea Council agrees with the campaign's principal sentiments that the transition process for young people out of care and into adulthood is extremely difficult and that managing money for the first time without support from family leaves them at a genuine risk of falling into debt.
- 2.3 Corporate parenting is a statutory function of the Council and the underlying principle is that a local authority will seek the same outcomes for the young people in its care that every good parent would want for their own children.
- 2.4 The Council accepts and values its role as a responsible corporate parent and wishes to further support those young people once they have left care to help them live independently as adults. One action that could be taken is to use the discretionary powers to provide relief from Council Tax for care leavers. The proposed scheme would reduce to zero the amount of any Council Tax that a care leaver has to pay so that the Council Tax due to this authority (and all precepting authorities) will not become a problem debt for them.
- 2.5 Under Section 13A of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council has a discretionary power to reduce liability for Council Tax by determining a class of case in which liability is to be reduced. This provision may therefore be used to apply a policy for exempting the Council Tax liability of Care Leavers (and in certain circumstances, anyone with whom they share a joint and several liability for Council Tax).

3. Principles of the Proposed Council Tax Care Leavers Relief Scheme

- 3.1 This relief must be awarded by the Council in accordance with the discretionary power to reduce Council Tax liability contained in Section 13A of the Local Government Finance Act 1992 (as amended).
- 3.2 The principles of the proposed Council Tax Care Leavers Relief Scheme are as follows:
 - i. The relief would be awarded against any Council Tax liability arising from 1st April 2018 and the Council would have discretion to backdate future

- awards to whatever date is appropriate and to 1st April 2018 as an absolute maximum.
- ii. The Council Tax liability is in respect of a care leaver who is between the ages of 18 and 25 years old. The last day for which this relief can be granted will therefore be the day before the care leaver's 25th birthday.
 - iii. An application for the relief is made by, or on behalf of, the care leaver. However, if satisfactory and sufficient confirmation of the circumstances of the care leaver can be provided by the authority's Social Services Department (or that of another local authority), the relief can be awarded without such an application being made.
 - iv. Swansea will grant this relief to any care leaver residing within its boundaries and satisfying the various criteria, not just those care leavers for whom it held a corporate parenting responsibility at the point the young person left care. Therefore, young people who were in care in other local authority areas, in any part of the UK, who move to Swansea after leaving care, will also be eligible for this relief.
 - v. The care leaver resides and is liable to pay Council Tax within the City and County of Swansea.
 - vi. The care leaver is not fully exempt from Council Tax for any other reason.
 - vii. The level of discount applied will be 100% of any residual Council Tax Liability after taking account of any other discounts / exemptions and Council Tax Reduction to which the care leaver is entitled. Completion of an application for Council Tax Reduction and the provision of all necessary supporting information needed to allow the application to be determined is therefore required before this relief can be awarded.
 - viii. Where the care leaver has a joint and several liability for Council Tax, in law every one of the persons who are jointly and severally liable are all equally responsible for the entire amount due, not just a 'share'. In such cases the relief will be applied to the household's net liability and although this means that a non-care leaver may also benefit, it ensures that the care leaver has no liability or potential for debt.
 - ix. A change of address within the Swansea area will not require a new application to be made for this relief. The relief will be transferred to the new address occupied by the care leaver.
 - x. Where a Swansea care leaver moves out of the Council's area, the relief can be re-awarded (subject to the normal requirements) should they return to the area before their 25th birthday.
 - xi. The Head of Financial Services and the Service Centre will have the authority to approve applications for this relief and may delegate this authority as is considered appropriate in line with the administration of Council Tax discounts and exemptions.
- 3.3 The scheme will be administered by the Council's Financial Services Department who will work with colleagues in Social Services to make it as easy as possible for care leavers to access this relief. For example, Social Services will be able to provide Finance with the details of care leavers (name, address, date they left care etc.) so that the relief can be awarded without an additional application form needing to be completed where the other requirements have already been satisfied. This will also provide Finance with a point of contact within Social Services and ensure good

liaison should any issues arise with the relief, and vice versa. For eligible care leavers living in Swansea who had left another authority's care we will always aim to make the application process as simple as possible. For example, we will accept information about their circumstances from Social Services/Finance staff in the other authority. In all cases though, responsibility for providing any necessary evidence in support of an application for this relief, will rest with the applicant.

4. Equality and Engagement Implications

- 4.1 There will be a positive impact for young people and care leavers if this relief is implemented. An Equality Impact Assessment (EIA) screening form has been completed with the agreed outcome that a full EIA report is not required. The screening form is attached as a background paper.

5. Financial Implications

- 5.1 The full cost of awarding this relief will be met by the authority.
- 5.2 Social Services have provided details of the care leavers they are aware of aged between 18 and 25 years old.
- 5.3 Of the 291 care leavers listed, 84 are currently liable to pay Council Tax but only 28 actually have an amount to pay. The remainder are either in receipt of full Council Tax Reduction, are otherwise exempt or are living in accommodation where they are not personally responsible for the Council Tax bill on the property.
- 5.4 The total net liability for the 28 people for 2018/19 is £18,713.84 which would therefore be the estimated cost of implementing this relief.
- 5.5 It is worth noting that to ensure the ongoing cost of this relief to the authority remains at this low level in future years, the departments working with care leavers must ensure that those care leavers continue to take up any entitlement they have to Council Tax Reduction and/or any discounts/exemptions.

6. Legal Implications

- 6.1 Under Section 13A (1)(c) Local Government Finance Act 1992 (as inserted by s 76 Local Government Act 2003) the Council has the power to reduce liability for Council Tax in relation to an individual case or classes of case that it may determine.

Background Papers: EIA screening form.

Appendices: None.

Agenda Item 12.



Report of the Cabinet Member for Business Transformation & Performance

Cabinet - 21 June 2018

Business Rates – Temporary Rate Relief Scheme (Wales) 2018/19

Purpose:	To provide information and to consider the adoption of a new temporary High Street Rates Relief Scheme, relating to Business Rates, which has been introduced by Welsh Government (WG) for the current financial year.
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The details of the scheme in this report are noted. 2) The rate relief scheme and the application process outlined in this report are adopted for 2018/19.
Report Author:	Julian Morgans
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1. Introduction

- 1.1 In April 2017, the Welsh Government (WG) introduced a new temporary High Street Rate Relief Scheme (HSRRS) to reduce Business Rates (BR) in certain circumstances. This scheme has now been extended from April 2018 to March 2019, with some amendments such as a reduction in the amount of relief that can be granted.
- 1.2 Rate relief under the scheme is available for the current financial year 2018/19 and WG has offered funding to each local authority in Wales under section 31 of the Local Government Act 2003, to re-imburse

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

- 1.3 It is a condition of the grant that the relief under this scheme is provided by way of discretionary rate relief under section 47 of the Local Government Finance Act 1988. The qualifying criteria for the HSRRS have been set by WG and there are no powers to vary. The local discretionary rate relief policy currently used to grant relief to charities and other organisations does not require amendment.

2.0 The High Street Rate Relief Scheme

- 2.1 WG has not defined what it considers a 'high street' and believes each local authority is best placed to judge which businesses should qualify in its area. In Swansea any business not located in an out of town shopping centre or not located within an industrial estate that meets the other qualifying criteria may receive relief under the scheme.

- 2.2 Provisional Funding of up to £376,590.94 has been requested by the Authority to grant relief to businesses of up to £250.00 (Tier 1) or up to £750.00 (Tier 2) on the business rates bill for certain occupied high street properties.

WG will follow the process used for the 2017/18 scheme and make an initial payment followed by a top-up payment at the end of 2018/19 if necessary.

2.3 Tier 1 – £250 (or the total remaining liability if this is less than £250)

Eligible ratepayers will be high street retailers whose properties have a rateable value of between £6,001 and £12,000 for the financial year 2018/19 and who meet the following criteria:

- In receipt of Small Business Rates Relief (SBRR) on 1 April 2018 and / or are
- In receipt of Transitional Relief on 1 April 2018.

- 2.4 There will be a small number of ratepayers whose properties have a rateable value of £12,000 or above who are in receipt of Transitional Relief. These ratepayers will qualify for Tier 1 relief.

- 2.5 WG have recognised that there may also be a small number of ratepayers whose properties have a rateable value of £12,000 who are not in receipt of Transitional Relief and who are on the very upper threshold of the SBRR taper and hence receive no SBRR relief. Such ratepayers will be eligible for Tier 1 relief.

2.6 Tier 2 – up to £750

Eligible ratepayers will be high street retailers whose property has a rateable value between £12,001 and £50,000 for the financial year 2018/19 and who meet the following criteria:

- Not in receipt of SBRR or Transitional Relief on 1 April 2018 and
- Have an increase in their liability on 1 April 2017 as a result of the 2017 Revaluation.

2.7 For both Tier 1 and 2, the award of the relief will be subject to state aid limits. The same ratepayer must also be in rateable occupation on 31st March 2018 and on 1st April 2018.

2.8 The main objective of this scheme is to support high street retailers in Wales, for example shops, pubs, restaurants and cafés – including those retailers who have seen their rates increase as a result of the 2017 revaluation undertaken by the independent Valuation Office Agency.

2.9 To benefit from the scheme properties must be:

a) Either:

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

2.10 WG has set out the types of properties that it **does not** consider to be high street retail use for the purpose of this relief:

- (i) The provision of financial, medical or professional services, post office sorting offices, tourism accommodation, sports clubs, children's play centres, day nurseries, outdoor activity centres, gyms, kennels and catteries, show homes and marketing suites and employment agencies.
- (ii) Premises that are not reasonably accessible to visiting members of the public.
- (iii) Those having a rateable value over £50,000.
- (iv) Properties located in out of town retail parks or industrial estates.
- (v) Unoccupied premises.
- (vi) Where the ratepayer is in receipt of mandatory charitable rate relief.

2.11 Due to the timing of the announcement of the scheme, adoption and implementation of the scheme was not possible before the annual business rates bills were issued in respect of the financial year 2018/19. If the scheme is adopted eligible ratepayers will be re-billed to reflect the appropriate amount of relief.

3.0 Administration and Application of the Scheme

3.1 Previous temporary rate relief schemes have required a formal application to be made. However, WG has advised local authorities (LAs) that in order to maximise take-up and reduce the administrative burden for rate-payers and LA Revenues Services, LAs are able to determine the application process. Across Wales, there are a number of different award processes in operation. Some authorities make automatic awards where they are satisfied the necessary criteria have been complied with. Others require all potential beneficiaries of the relief to formally apply in writing and the remainder follow an approach that is a combination of the two.

3.2 In 2017/18 Swansea followed the combination approach. At the end of the financial year, £90,008.05 of the funding provided by Welsh Government remained unclaimed and was returned. For 2018/19, in order to maximise the award of the relief to businesses in Swansea, consideration has been given to following an automatic award process as was done, for example, in Cardiff during 2017/18.

3.3 It is therefore recommended that;

(i) HSRR is applied without the need for a formal application where it is possible for the authority to identify an eligible high street business premises. Businesses to whom this relief is awarded that have more than one premises in receipt of HSRR or who are receiving other De Minimis State Aid are required to advise the authority if the award breaches state aid rules.

(ii) Where it is not possible for the authority to satisfy itself that a business premises complies with the necessary criteria, the ratepayer will be issued with a formal application to complete and return which will also be subject to State Aid consideration.

4.0 Implementation of the Scheme

4.1 WG has provided the following to authorities:

- Guidance for the HSRRS (including sample text that could be included in letters to ratepayers about High Street Rates Relief.)
- A certificate of acceptance form to confirm the estimated number of properties that will benefit from the scheme

- 4.2 The HSRRS scheme outlined above should be adopted as specified in the recommendations above.
- 4.3 The most recent estimates suggest approximately 1000 business properties will be eligible and will have relief applied to their accounts if the scheme is adopted. This will involve significant extra workload for the Business Rates team although moving to an automatic award process will assist with this additional burden.

5.0 Financial Implications

- 5.1 WG will specify the amount of funding available for the scheme once the certificate of acceptance which includes an estimate of the required funding has been considered. An initial provisional funding amount of £376,590.94 has been requested by the Authority. Any award made in excess of the funding may have to be met by the Authority.
- 5.2 WG have advised that an amount of £10,415.16 to support the administration and marketing costs of the High Street Relief Scheme will be given to the authority.
- 5.3 Estimates of eligible properties have been provided by each Welsh LA at the request of WG. There is a small risk that the funding that has been agreed by WG, based on the estimates, could be insufficient as estimates were provided based on descriptions of properties contained in the Valuation List, which is maintained by the Valuation Office Agency and there may be instances where the description is not wholly accurate. At present it is uncertain whether LAs would be able to reclaim any amount of relief applied in excess of the agreed scheme funding provided from WG although this seems likely as WG has recognised the funding requests are only estimates of the likely cost of the scheme. Whilst there is thus some risk of an element of non-reimbursement to the authority if actual eligibility experience differs from the estimate, it is felt on balance that it is worth that residual risk to enable local businesses to benefit from the scale of overall relief offered.

6.0 Legal Implications

- 6.1 There are no further legal implications to those set out in the report.

7.0 Equality and Engagement Implications

- 7.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid to regard to the above.

- 7.2 An EIA screening has been completed with the agreed outcome that a full EIA report is not required as the qualifying criteria for the HSRRS has been set by WG and there is no power to vary. Relief will be awarded to all eligible ratepayers as per the criteria set out in this report

Background Papers: WG Guidance can be found at <https://gov.wales/docs/dsjlg/publications/localgov/180411-non-ndr-high-street-rates-relief-en.pdf>

Appendices: None.

Agenda Item 13.



Report of Cabinet Member for Business Transformation & Performance

Cabinet - 21 June 2018

Welsh Language Annual Report 2017-2018

Purpose:	The report provides an overview of the work of the authority in relation to the Welsh language during the specified reporting period.
Policy Framework:	Welsh Language Standards
Consultation:	Cabinet Members, Executive Board, Legal Services and Access to Services
Recommendation:	This report is for information only
Report Author:	Ann Williams
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer	Rhian Millar

1. Introduction

- 1.1 The authority has been subject to Welsh Language Standards under the Welsh Language (Wales) Measure (2011) for two years since 30.03.2016
- 1.2 The Compliance notice issued to the authority by the Office of the Welsh Language Commissioner includes 169 standards with which we are obliged to comply. The 86 Service Delivery standards are the greatest in number.

1.3 The standards specify how the authority will work in relation to the Welsh language in a number of specific activities in different areas of operation, namely:

- Service delivery
- Policy Making
- Operational (i.e. internal)
- Promotion
- Record Keeping

1.4 Production of an Annual Report is mandated by standard No.170, which also specifies certain information to be included. This is the second Annual Report and covers the period of 01.04.017 until 31.03.2018.

2. Report Content

2.1 As well as an overview of the activity during the report period, the report contains sections on:

2.1.1 **Operation of Standards.** Information on the internal promotion of the Welsh Language Standards to support a successful and consistent implementation across the authority, along with tools and information to assist in this.

2.1.2 Welsh Medium Education.

Whilst the authority's performance in this is reported separately in respect of our WESP (Welsh in Education Strategic Plan) it is included here as the future development of the Welsh language in the area and beyond is fundamentally linked with Welsh Medium Education

3. Financial Implications

3.1 There are no financial implications

4. Legal Implications

4.1 There are no legal implications.

5. Access to Services Implications

5.1 There are no equalities implications arising from this report.

Background Papers: None.

Appendices:

a) Draft Welsh Language Annual Report 2017-2018

Swansea Council



DRAFT **Welsh Language** **Annual Report** **2017 -2018**

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- 1. Introduction and Background**
- 2. Overview of 2017- 2018**
- 3. Operation of Standards**
 - Service Delivery standards**
 - Policy Making standards**
 - Operational standards**
 - Promotional standards**
 - Record Keeping standards**
- 4. Welsh Medium Education**

APPENDICES

- a) Welsh Language Commissioner’s monitoring of Swansea Council 2016-2017.**
- b) Complaints regarding compliance with standards**
- c) Swansea Welsh Language demographics**

1. Introduction and Background

This is the second Annual Report since standards became effective and provides an overview of the activity of the 12 month period to 31st March 2018 and an appraisal of where the authority finds itself in relation to its implementation of the standards.

The appendices provide some detail concerning the specific implementation of the standards in Swansea and information regarding the Welsh language in the area.

Since 30th March 2016 all local authorities in Wales have had a statutory duty to comply with the Welsh Language (Wales) Measure (2011) and with the Welsh Language Standards imposed by the Measure through sub-legislation (Welsh Language Regulation Standards).

The standards issued to the City and County of Swansea are listed in a Compliance Notice -Section 44 Welsh Language (Wales) Measure 2011. A copy of these standards is available on the council's public website at:

<https://www.swansea.gov.uk/cymraeg> <https://www.abertawe.gov.uk/cymraeg>

This notice, agreed with the Office of the Welsh Language Commissioner, is the current document governing our compliance.

The intention of the standards is:

- to ensure that organisations treat the Welsh language no less favourably than the English language and
- to promote and facilitate the use of the Welsh language (making it easier for people to use in their day-to-day-life).

Standards aim to:

- make it clear to organisations what their duties are in relation to the Welsh language
- make it clearer to Welsh speakers about the services they can expect to receive in Welsh
- make Welsh language services more consistent and improve their quality.
-

Swansea Council is required to comply with **163 standards across 5 categories** as shown in table 1, below:

Table 1: Standards for compliance by Swansea Council

Swansea Council		
	Categories	Number of Standards
1	Service Delivery standards	86
2	Policy Making standards	16
3	Operational standards	51
4	Promotional standards	2
5	Record Keeping standards	8
	Total	163

2. Overview of 2017-2018

The good progress made on implementing the Welsh language standards continued during the year and general feedback indicates that officers are more educated and much more aware of the need for compliance than they were previously. Overall feedback from managers has been positive with no major issues noted.

When the standards first came in, waiting times for translation could be very long but there has been an improvement during the year.

The Authority has committed to an annual 3 day “CROESO” event to celebrate St. David’s Day on the weekend nearest 1st March. See section 3ch: Promotional Standards for more details of this year’s event.

In January 2018 the Commissioner commended the council’s Leisure Services on the facilitation and promotion of Welsh language swimming lessons.

The Welsh language service on the Council’s main telephone number is popular with Welsh speakers with a number of callers commenting how good it is to be able to speak Welsh first when contacting the authority by phone. A significant number of Welsh speakers too have chosen to access other Welsh language departmental telephone lines (see section 3a Service Delivery Standards for details).

During the year all individual and team email addresses in the authority acquired a Welsh Language equivalent.

The priority during the year has continued to concentrate on Service Delivery standards as they are greatest in Number (86) as well as the most visible to the public.

Work has also progressed on the Operational Standards particularly as they apply to the requirements in relation to the authority’s workforce.

3. The operation of Standards

Responsibility for our compliance with the Welsh language standards rests with the Corporate Management Team with Heads of Service implementing their own local procedures.

Each service area has a Welsh language Champion as the main channel for information (inward and outward) relevant to their work areas and practices.

A designated Equality Officer is the general point of contact for Welsh language issues raised externally – whether by individuals, the Office of the Welsh Language Commissioner or elsewhere. They also provide advice and guidance internally on implementation of and compliance with the standards.

Definitive information and decisions about the standards have been communicated, in addition to the Champions, to each Head of Service – who has the responsibility for compliance within their own area.

Responsibility for overseeing the Welsh Language agenda is led by the Council’s Customer Service Manager.

In December 2017 the authority received the findings of the Welsh Language Commissioner's Assurance Report 2016-17 "Rights Taking Root" and details of findings in relation to Swansea Council can be found in **Appendix a)**

Whilst the report notes that things are improving across the organisations that are required to comply with Welsh Language Standards there is more to be done: general findings of the report include:

- The quality of Welsh-language services, and organisations' arrangements for self-regulation, need to be improved.
- There's a need to change behaviours in order to promote and facilitate the use of the Welsh Language. Services need to be marketed intelligently and need to persuade people that their needs will be met
- It is vital that promotion strategies are prepared and implemented in order to ensure that the number of Welsh speakers is maintained or increased.

The above findings reflect the present situation in Swansea Council and offer a clear challenge to the authority in going forward with embedding the standards and normalising the use of the Welsh Language in all its functions.

The Welsh Translation Unit

The Welsh language's increased profile following the announcement and introduction of standards has improved the timeliness of submissions to the Translation Unit with requestors being more aware of the need to include time for translation in plans for developing any relevant documents, publicity and other resources.

The Unit also moved under Customer Services in April 2018 and we are currently undertaking a review of demand and looking at new ways of working to enable translation requirements to be scheduled and prioritised in an efficient manner from across the whole Council.

The workload of the Translation Unit continues to grow – due to both the additional requirements of the Standards compared to the Scheme; and the broader take-up of services by sections which had not fully engaged previously. Changing the way we work, raising awareness and better communication and marketing of the service will resolve some of the problems that can occur at certain times of the year when multiple deadlines coincide.

During 2017-18, the Translation Unit translated 3.8 million words. Whilst this represents a decrease of 6.3% over 2016-17, simultaneous translation at meetings have significantly increased over the past year with 171½ hours being recorded during 2017–18, an increase of 103% on the previous year.

In order to achieve efficiencies, the organisation has seen significant change over the last 12 months which has resulted in several restructures and subsequent advertising of posts. As the Welsh Translation Unit is operating at maximum capacity and due to the quick turnaround required, approximately 700,000 words were translated externally.

Feedback from departments

Design Print

There are times when employees have to be reminded of requirements and there remain instances where officers producing documentation are still not taking the Welsh Language Standards into account when planning projects or events. When the standards first came in, waiting times for translation could be very long but there has been an improvement during the year.

Scrutiny

The turnaround from the Welsh translation unit can be an issue which impacts on deadlines and adds pressure to prepare work when factoring in translation time.

3a. Service Delivery Standards

Email addresses

Since February 2018 all individual and departmental email addresses have been available in English and Welsh so that Welsh speaking residents and others are able to make contact via the Welsh address. Staff are expected to place their @swansea.gov.uk and their @abertawe.gov.uk address in their email signature.

Telephone

The inclusion of Welsh language in telephone greetings and being aware of departmental procedures has given staff in many areas the confidence to be able to provide a Welsh language service to those requesting or needing it.

During the last financial year 2733 callers to the Council's Switchboard and Corporate Call Centre chose the option to speak to the Council in Welsh, however only 1676 of those continued their query through the medium of Welsh, the others were residents who made an incorrect language choice.

The call centre answered 435,657 calls in total the same period (2017/2018) so the above equates to only 0.4% of calls being requested through the medium of Welsh.

The number of customers who accessed the services of the Revenues and Benefits Department of the Council in Welsh by telephone in the reporting period was 1,866. Total contact by telephone was 151,173 calls therefore the percentage of Welsh calls totalled 0.12%.

A dedicated Welsh telephone line was set in the Adult Social Services Department as the "Common Access Point" in December 2017 to access Adult Health and Social Care services. Prior to that there was no means of tracking Welsh Language calls. Between December 2017 and 31st March 2018, 57 people called the Welsh Language line of the Common Access Point. All callers however decided to proceed in English rather than wait for a Welsh speaker to phone them back.

The number of calls to the Welsh Language employment services telephone line in the 2017/2018 financial year was 379. This equates to 2% of the total calls to the Service Centre Helpdesk.

Swansea, through Western Bay, plan to deploy the Welsh Community Care Information System (WCCIS) which supports an active offer, and would replace its “PARIS” system. Progress on this will be included in the next Annual Report including data on the number of Welsh Speakers who contacted the Child and Family Information, Advice and Assistance Service.

Mwy Na Geiriau: More than Just Words:

Whilst the Welsh language standards apply across all areas of the authority’s operation, Swansea Council, in addition, is committed to taking forward Mwy na Geiriau / More than just words – the Welsh Government’s strategic framework for Welsh language services in health, social services and social care.

In year One, Swansea through the Western Bay Regional programme profiled and assessed a number of target populations to support the development of an Area Plan last year. We have just completed Year 2 of the programme in which the ‘Active Offer’ of information, advice and assistance through the medium of Welsh is made at our statutory front door, and through social work assessment, and social service provision. Social Services are working closely with commissioned services to ensure that a bilingual approach is visible, embedded and a feature of quality within a social care offer to adults and children in Swansea. There are plans to implement the Welsh Community Care Information System (WCCIS) next year.

Within Social Services, and partnerships this framework is the focus of action relating to the Welsh language standards. Progress against the framework’s action plan is reported to Welsh Government, and Care Inspectorate Wales (CiW). Swansea Council, and Western Bay are now represented at the Cwm Taf and ABMU Health Board’s Joint Regional “More than Just Words” Forum, a collaborative group formed to take forward implementation across health and social care across the two regions, and to share best practice.

3bi Policy Making Standards

All Policy Making decisions are subject to the authority’s corporate Equality Impact Assessment process, which considers the potential effect which the initiative may have on Equality issues.

While based on the requirements of the Public Sector Equality Duty (under the Equality Act (2010)) our particular EIA process has broadened the set of parameters to include specific mention of the Welsh Language Standards and our requirements to meet them. Associated guidance reinforces these requirements. Whilst understanding of the standards has increased generally, officers often require explanation and support when completing the Welsh language element of an EIA. One common issue is a failure to discuss proposals with Welsh speakers in the community.

Supplementary policy making standards

3bii Complaints

Complaints in relation to the Welsh Language and /or complaints received in the Welsh Language about any aspect of service delivery are dealt with according to the authority’s corporate complaints policy which is published on the Council’s external website

<https://www.swansea.gov.uk/cymraeg>

During the reporting period 1st April 2017 -31st March 2018 we received **one** new complaint via the Office of the Welsh Language Commissioner in relation to service provision under the Welsh Language Standards and three complaints directly to our corporate complaints department in relation to the Welsh Language.

It must be noted that complaints initiated via the Office of the Welsh Language Commissioner are progressed in line with their own standards and timescales which take priority over our normal (published) response times.

Details of open complaints along with complaints that were not closed at the end of the previous reporting period are shown in the table in **Appendix b)** Complaints on-going at the end of the reporting period will be included in the next annual report.

3c Operational standards

Operational Standards that relate to the use of Welsh within the internal functions of an organisation including the relationship between the authority and its employees (including during recruitment and appointment), through:

- Encouraging and assisting staff to use their Welsh language skills as part of their normal day-to-day work
- Providing a supportive framework for staff to improve and develop their Welsh language skills.

The Human Resources department has commissioned the translation of those policies and procedures as directed under the standards and these are available to any member of staff requesting them.

Access to software to assist staff in the use of Welsh (e.g. MSOffice spell checking and grammar checking; and automatic translation) is available as a standard add-on. StaffNet has a 'Welsh Language' section <http://www.swansea.gov.uk/staffnet/welsh> which contains supporting resources for staff using the Welsh language in their work, which includes:

- An overview of the Standards, including information on the role of the Welsh Language Commissioner
- An on-line Welsh language awareness course developed to provide some social and historical context to the Welsh language and its place in modern society.
- Handy Guides, each giving a quick guide to a specific area of the standards, e.g.
 - telephone calls
 - emails
 - organising meetings
 - design of signs
 - welsh translation Services

- Standard Translations
 - to assist with production of standard information with small amounts of variable data, e.g.
 - dates, times, venues
 - automatic (out of office) messages
 - standard ad hoc signs

- Guide to bilingual social media - rules for publicising events and other information on Twitter, Facebook and other social media.

- Details of Welsh language tuition and practice sessions, including external courses listed on the <http://www.swansea.ac.uk/learnwelsh/> website

- Regular external social events via the Menter Iaith Abertawe website

- Welsh language training for staff - initially targeted towards front-line staff in areas with an identified insufficiency of Welsh-speakers.

- Details of service area Welsh language champions

Staff and Welsh Language Skills

The authority's HR system (Oracle) records Welsh language skill levels across the four areas of Speaking, Understanding, Reading and Writing. Staff are encouraged to update their Welsh language skill levels as part of the on-line "Self Service" option and initiatives encouraging them to do so have seen a slight increase in recording in 2017/18.

Data supplied by staff (as of 31st March 2018) and held on the system can be seen in the following tables.

Table A: Staff recording of one or more Welsh language skills.

	Q18 Understand Spoken Welsh	Q18 Speak Welsh	Q18 Read Welsh	Q18 Write Welsh	Q18 Learning Welsh
Grade 2	30	15	14	11	9
Grade 3	26	17	16	14	13
Grade 4	28	20	19	12	11
Grade 5	33	24	23	17	18
Grade 6	43	26	34	20	30
Grade 7	34	32	34	28	18
Grade 8	33	24	27	21	19
Grade 9	17	15	16	13	20
Grade 10	12	8	10	6	11
Grade 11	8	6	7	4	3
Grade 12	5	4	4	3	6
Over 12	3	1	1	1	1
Totals 2017/18	272	192	205	150	159
Totals 2016/17	233	166	205	145	153

The data summarised in the above table suggests that Welsh language skills are fairly evenly distributed throughout the various levels of employee by grades. The data also indicates that there has been an increase in the number of skills recorded since the previous year.

Table B: The overall figures for each section of staff recording of one or more Welsh language skills.

	Q18 Understand Spoken Welsh	Q18 Speak Welsh	Q18 Read Welsh	Q18 Write Welsh	Q18 Learning Welsh
Poverty and prevention	17	12	13	9	17
Place	117	87	96	74	69
Education (not schools)	22	15	16	15	19
Social Services	43	37	37	28	28
Resources	32	23	27	19	20
Total	231	174	189	145	153

Table C: Summary figures for each section

Service Unit	Headcount	% of staff with skills recorded	Number of staff with skills recorded
Directorate - Resources	683	28.8%	197
Directorate - People (Poverty and Prevention)	375	30.4%	114
Directorate - Place	2758	33.4%	920
Education Non Schools	1047	32.8%	343
Social Services	1598	48.5%	775
Total	6461	36.40%	2349

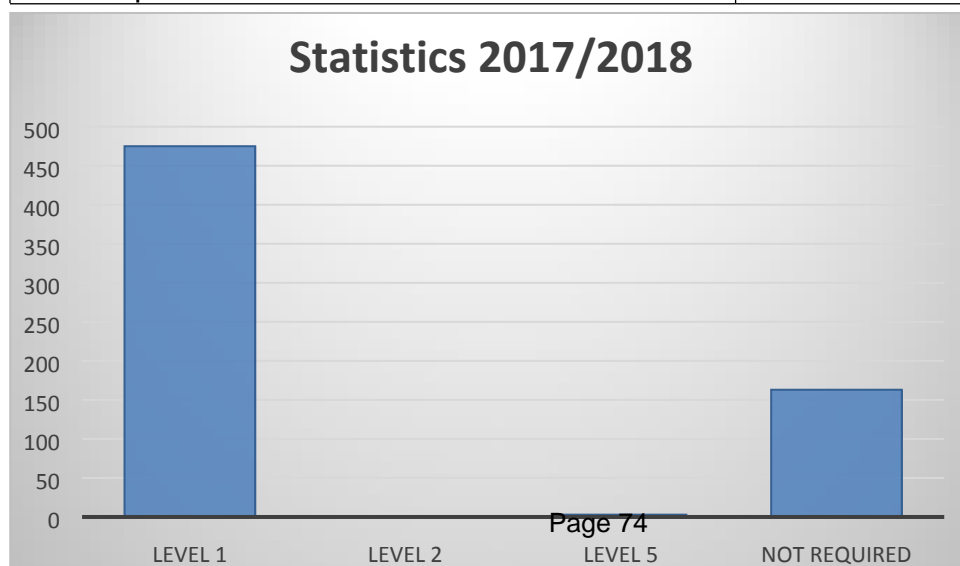
Table C indicates that there has been a significant increase in the number and percentage of staff who have recorded their Welsh language skills since the last report suggesting that initiatives to encourage staff to provide details have had some effect in improving the completion rate on Oracle.

- **426** members of staff in 2016/17 and **2349** in 2017/18
- **6.54%** recorded their skills in 2016/17 increasing to **36.4%** in 2017/18.

New and Vacant Posts

The table below gives a summary of the number of new or vacant posts advertised by the authority and indicates the levels of Welsh Language Skill required for the role. Level 1 being the most basic level of understanding and Level 5 the most advanced.

Welsh Language skill level required	Number of new and vacant posts advertised 2017/18
Level 1	475
Level 2	1
Level 5	3
Not Required	163



Training

The Council registered with “Learn Welsh Cymru” during the reporting period so that staff can access the 10 hour on line course <https://learnwelsh.cymru/work-welsh/online-taster-course/>

No Corporate courses were offered in Welsh during the reporting period but all mandatory e-learning courses for staff were in the process of being translated in March 2018 to ensure staff can undertake them in Welsh in future. Progress will be reported on this in next year’s annual report.

A total of 12 members of staff completed an on line Welsh Awareness e-learning module on line in the reporting period.

From April 2017 to August 2017 the authority continued to provide subsidised basic Welsh Language tuition to staff. The table below shows details of student attendance.

Staff feedback suggests that there could be better opportunities for learning Welsh as currently it is not accessible enough or easy to undertake.

Welsh Language lessons Attendance Records for Financial Year 2017 / 2018

Level	Dates of courses	am / pm	No. of lessons	Staff on Course	Total Planned Attendance	Total Actual Attendance	Attendance Percentage
1	9/11/16 to 5/7/ 2017	am	13	16	208	160	77%
1	9/11/16 to 5/7/ 2017	pm	13	16	208	199	96%
1	5/01/16 to 3/8/2017	am	17	17	289	181	63%
				49	705	540	77%
2	5/11/16 to 3/8/ 2017	pm	17	7	119	60	50%
TOTAL				56	824	600	73%

A number of staff who completed Foundation courses wished to continue their training after the Summer of 2017 and others wished to start to learn the language.

A total of 99 staff registered an interest in Welsh classes during the reporting period but the authority did not have the necessary funding in September 2017 to meet the demand.

Negotiations with the National Centre for Learning Welsh resulted in an agreement whereby the Centre would fund and organise “Gwaith Cymru” intensive training for council staff. A partnership agreement was put in place in early January 2018 allowing 36 members of staff to begin the intense training on April 16th 2018 (to end on 31st March 2019).

From September 2018 staff (including those who wished to move on from their level 1 course) and others who do not wish to do the intense course will have the opportunity to attend a Foundation level 1 or 2 course (30 weeks) commissioned by Swansea Council and provided by Swansea University.

Progress on all staff courses will be reported in the next annual report.

Staff Support

The Weekly, lunchtime groups to support Welsh speakers and learners at the two main council venues which began the previous year were not able to continue due to a reduction in staff to coordinate the groups and a general feeling that employees were unable to give up their time to attend regularly at lunchtime. Discussion continues as to the best way forward and a few smaller groups of employees are meeting informally.

Lanyards/Badges

Our compliance notice dictates that Welsh speaking reception staff should be provided with 'Iaith Gwaith' lanyards and badges to identify themselves to members of the public. All Welsh speaking staff have access to a "Iaith Gwaith" Lanyard and Welsh Learners are able to wear "Welsh Learner" lanyards.

As a consequence, Welsh speaking members of staff have been able to identify other Welsh speakers and start conversations in Welsh. In some cases people had worked together for a number of years without recognising this. As a result, there is more of an opportunity for informal (and wider) conversations in Welsh, thus normalising the use of Welsh in the work environment.

Staff Communication

Although communication issued centrally and sent to groups of staff would be in English (as is permissible under the standards), Welsh speaking staff are increasingly contacting other known Welsh speakers by email or telephone in Welsh

With an increasing emphasis on "Agile" working, a new agile area is being developed which will have one section designated for Welsh Speaking staff to sit together should they so wish in the knowledge that they can speak Welsh to those around them.

A large drop in event was held for staff entitled "Be the Best You Can Be" during the reporting period where amongst the exhibitor stands were Swansea "Menter Iaith", the National Centre for Learning Welsh (from their local base at the Academi Hywel Teifi in Swansea University) and the Council's Welsh Language Officer. A simple paper quiz about Welsh place names proved popular in drawing people to the stands and several staff expressed interest in learning Welsh or finding out more about the opportunities available locally for Welsh speakers and learners.

Meetings

During internal meetings, particularly those of a more formal nature, pre-booked simultaneous translation is available to allow those attending to contribute in Welsh. When meeting with external agencies who wish to deal with the authority through the medium of Welsh, wherever possible (and with prior warning) suitably qualified Welsh speakers would attend on behalf of the authority to allow all or as much of the meeting as possible to proceed in Welsh.

Visibility

All of the above initiatives have increased and improved the visibility of the Welsh language throughout most areas' operations and encouraged its use both informally and in the work setting.

3ch Promotional standards

Whilst an outline 5 year Strategy to promote the Welsh Language has been in place since September 2016 progress in developing this has been slow.

Nia Davies of "Cwmni Nico" on behalf of the Language Commissioner, met with the Welsh Language Officer and their team leader in December 2017 to discuss the promotional standards. "Nico" has been commissioned by the Commissioner to produce a toolkit to aid compliance with the promotional standards. The discussion was very useful in clarifying what actions we need to take in developing the plan and the resulting toolkit /advice document will be beneficial in assisting the authority in moving forward.

Swansea's Welsh Language Initiative (Menter Iaith Abertawe) was unsuccessful in gaining grant funding from the Authority during the reporting period so proposals to work together to promote the language will be limited.

The Authority has committed to an annual 3 day "CROESO" event to celebrate St. David's Day on the weekend nearest 1st March. Unfortunately due to a warning of severe weather conditions several of the outdoor aspects of this year's event had to be either cancelled or moved indoors. However, a city centre parade entitled "Pâred Dewi" went ahead with around 200 individuals and 7 floats taking part. Menter Iaith Abertawe advises on the organising and content of the event and all communities are encouraged to take part in the festival which highlights the Welsh language as a distinctive and unifying force in Swansea.

To mark St.David's Day, the authority organised a Welsh Language exhibition in Swansea's Civic Centre which ran for a month traversing 1st March to promote the language and to highlight the opportunities available in the City and County of Swansea for Welsh speakers and learners. Exhibits included details of how to learn Welsh, how and where to access Welsh medium education including pre-school groups and nursery provision, social activity groups and the opportunities available through Swansea's Welsh Language Initiative at their City Centre Welsh Language Centre and beyond.

3.ch.i Welsh Medium Education

The future development of the Welsh language in the area and beyond is fundamentally linked with Welsh Medium Education and this aspect is dealt with specifically in the council's Welsh Language Education Scheme.

There are 11 Welsh medium primary schools feeding into the two senior schools – Ysgol Gyfun Gŵyr and Ysgol Gyfun Bryntawe.

Currently the number of students attending Welsh medium education in the three age ranges and the overall percentage of each range which these figures is outlined in the tables and graphs below. They show that both the number of students receiving Welsh medium education and the overall percentage has increased in the last year.

2017-2018

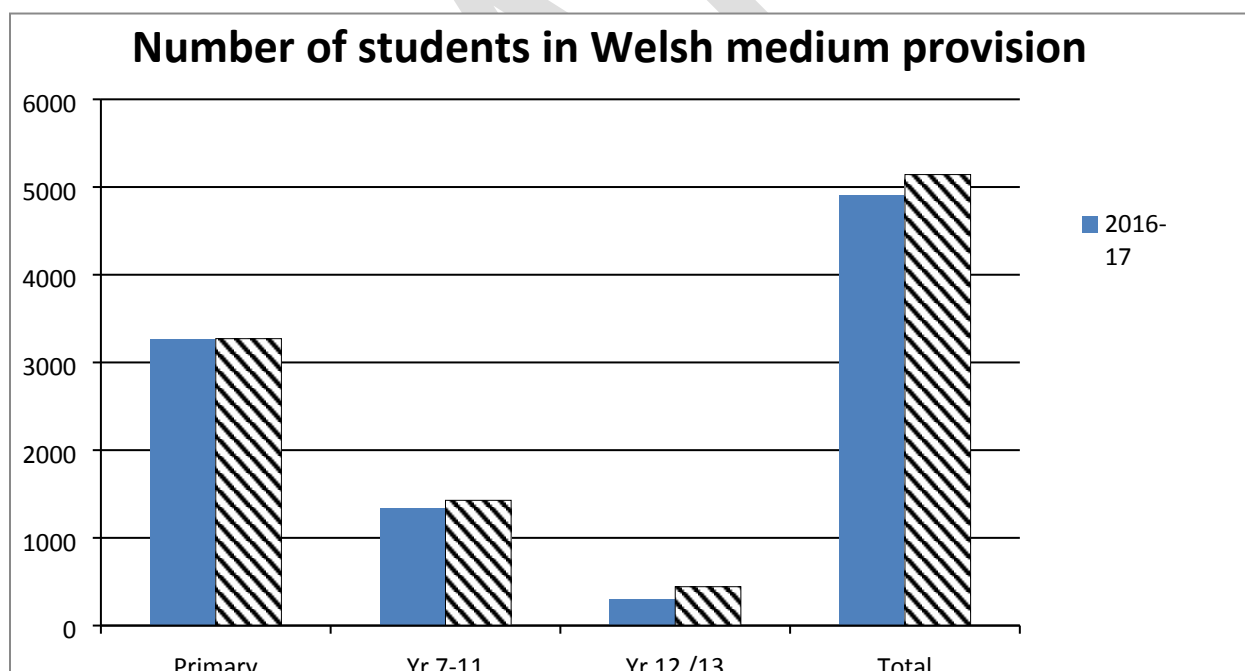
School Rolls	Total Welsh and English streams	Number of students in Welsh medium provision	Percentage of students in Welsh language streams
Primary	22383	3271	14.6%
Y7-11	12210	1428	11.7%
Y12-Y13 ¹	1592	443	27.8%
Total	36185	5142²	14.2%

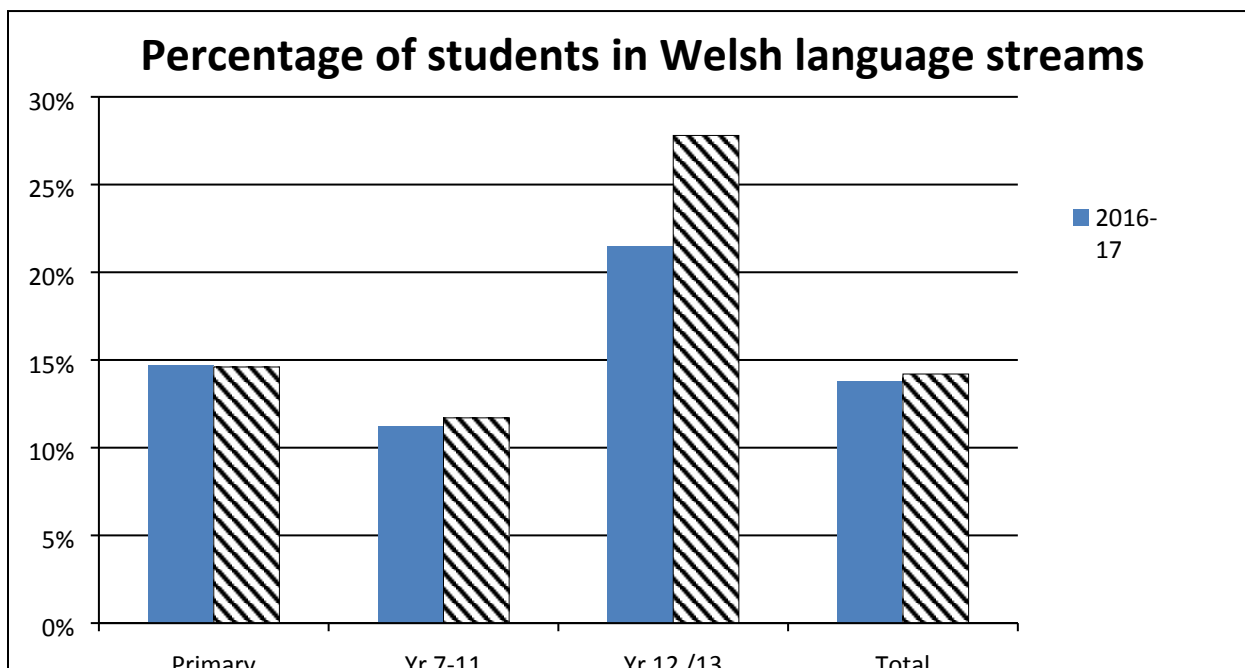
^{1&2}Figures do not include attendance at 6th from College e.g Coleg Gŵyr Abertawe

2016-2017

School Rolls	Total Welsh and English streams	Number of students in Welsh medium provision	Percentage of students in Welsh language streams
Primary	22266	3263	14.7%
Y7-11	11928	1338	11.2%
Y12/13 ³	1430	307	21.5%
Total	35624	4908⁴	13.8%

^{3&4}Figures do not include attendance at 6th from College e.g Coleg Gŵyr Abertawe





In GCSE Welsh First Language, over 86% of students attain grades A*- C, and numbers entering this subject have increased steadily in the six years up to 2017.

In the GCSE Welsh Second Language (full course) over 86% attain grades A*- C and numbers entering the subject have increased in the six years since 2012 from 239 entries (9.2%) to 678 entries (28.2%) in 2017. The increase in entries is due partly to the pending withdrawal of the short course option in this subject, with all entries being full course from 2019.

Performance in Welsh is also strong in key stages 2 and 3.

In key stage 2, the percentage of pupils in year 6 attaining level 4 or higher in Welsh First Language has improved from 91.2% in 2013 to 95.3% in 2017. The equivalent improvement for Welsh Second Language over the same period was from 67.5% to 77.0%.

In key stage 3, the percentage of pupils in year 9 attaining level 5 or higher in Welsh First Language has improved from 87.6% in 2013 to 93.8% in 2017. The equivalent improvement for Welsh Second Language over the same period was from 73.1% to 81.8%.

Overall Welsh is performing well as a subject in Swansea.

Swansea Welsh Language Demographics

The 2011 Census is still the key source of information on Welsh language skills at a geographical level. The tables in Appendix c) outline the percentage of Welsh Language skills by electoral ward and by age.

3d Record Keeping Standards

These standards concern ensuring that data is maintained and reported upon in line with the requirements of the standards to illustrate the authority's compliance with the standards. This includes the production of this annual report.

DRAFT

Appendix a) - Findings of monitoring work in relation to the organisation in 2016-17

The report is based in part on the findings of the Commissioner's monitoring work in 2016-17. A series of mystery shopper and desktop research exercises were conducted in order to test how the standards are being implemented in practice. Information about the methodologies used for this work is available in an appendix to the Assurance Report.

The table in Appendix 1 shows a) organisations' general performance in these exercises, and

b) presents Swansea Council's performance for comparison.

	General Performance	The organisations' performance
Telephone	<p>A Welsh greeting was given during 90% of the calls to public organisations' main phone line</p> <p>A Welsh-language service needed to be asked for during 12% of the calls to public organisations</p> <p>84.5% dealt with the entire call in Welsh, with the receptionist and possibly another officer providing a response (organisations subject to standard 10)</p> <p>In 57% of the calls the receptionist conducted the conversation in Welsh to understand the nature of the enquiry and then transferred the call (organisations subject to standard 11(a))</p> <p>No Welsh-language service was available during 5% of the phone calls answered by organisations</p>	<p>2 of 3 calls were answered with a Welsh-language greeting</p> <p>2 of the 3 calls were dealt with entirely in Welsh, with the receptionist and possibly another officer providing a response</p> <p>No Welsh-language service was available during 1 of the 3 phone calls answered by the organisation</p>
Reception	<p>A member of staff was available to provide a Welsh-language service at 67% of receptions at county councils, national park authorities, and the Welsh Government</p> <p>54% of county councils' receptions displayed a sign welcoming the use of Welsh</p> <p>Staff at 75% of the receptions where a Welsh-language service was available wore a badge welcoming the use of Welsh</p>	<p>A Welsh-language service was received at 1 out of 2 of the organisations' receptions visited</p> <p>A sign welcoming the use of Welsh was displayed in 1 out of 2 of the organisation's receptions visited</p> <p>Staff wore a badge welcoming the use of Welsh in 1 out of 2 of the organisation's receptions visited where a Welsh-language service was available</p>
Social Media	<p>23% of public organisations' Twitter accounts, and 29% of their Facebook accounts, provided a corresponding service in Welsh and English</p>	<p>The organisation was seen to be providing a corresponding service in Welsh and English in relation to 42 of the 46 Twitter messages viewed, and 1 of the 20 Facebook messages viewed</p>

Correspondence	<p>E-mail A response was received to 74% of Welsh-language e-mails and 79% of English-language e-mails 7% of the responses to Welsh-language e-mails were in English</p> <p>Letters A response was received to 61% of Welsh-language letters and 66% of English-language letters 4% of the responses to Welsh-language correspondence were in English</p> <p>Facebook A response was received to 74% of Welsh-language Facebook messages, and 74% of English-language Facebook messages 4% of the responses to Welsh-language Facebook enquiries were in English</p>	<p>E-mail A response was received to 2 out of 2 Welsh-language e-mails and 2 out of 2 English-language e-mails</p> <p>Letters A response was received to 2 out of 2 Welsh-language letters and 1 out of 2 English-language letters</p> <p>Facebook A response was received to 2 out of 2 Welsh-language Facebook messages, and 1 out of 2 English-language Facebook messages</p>
Website	<p>Of all the pages viewed, 75% were available in Welsh and the two languages corresponded to each other; a further 18% were available in Welsh but the Welsh version did not correspond to the English version, or there were errors on the page.</p> <p>7% of the pages were not available in Welsh.</p> <p>In respect of 53% of the organisations, all web pages were available in Welsh, and in respect of 78% of the organisations, over three quarters of their web pages were available in Welsh.</p>	<p>43 of the 45 pages viewed were available in Welsh</p> <p>10 of the 43 pages either did not correspond or contained errors</p> <p>2 of the 45 pages were not available in Welsh</p>
Documents	<p>Seven of the 8 organisations subject to standard 40 (any documents that you produce for public use must be produced in Welsh) complied with the standard</p> <p>The number of organisations subject to other standards who were compliant was as follows:</p> <ul style="list-style-type: none"> ● 41 (management board papers) – 6 of 16 organisations ● 43 (brochures, leaflets, pamphlets, cards) – 11 of 18 organisations ● 44 (policies, strategies, reports, plans, codes of practice, and other corporate documents) – 6 of 15 organisations ● 46 (press releases) – 14 of 17 organisations 	<p>Three documents were viewed in relation to each of the standards the organisation is subject to. We found:</p> <ul style="list-style-type: none"> ● that the organisation was compliant with standard 41; ● that the organisation was compliant with standard 43; ● that the organisation was not compliant with standard 44; ● that the organisation was compliant with standard 46.

Supplementary issues	<p>725 of the organisations had published a document stating which standards they must comply with;</p> <ul style="list-style-type: none"> ○ 55% of the organisations had published a document stating how they will comply with the standards; ○ 28% of the organisations had published a document stating their monitoring arrangements; ○ 20% of the organisations had published a document stating their complaints procedure. 	<p>When viewing the organisation's website, we found:</p> <ul style="list-style-type: none"> ○ that the organisation had published a document stating which standards it must comply with; ○ that the organisation had not published a document stating how it will comply with the standards; ○ that the organisation had not published a document stating its monitoring arrangements; ○ that the organisation had not published a document stating its complaints procedure.
Jobs	<p>The Welsh language was an essential skill for 15% of posts</p> <p>The Welsh language was a desirable skill for 52% of posts</p> <p>It was stated that there was a need to learn Welsh in 0.2% of posts</p> <p>It was stated that Welsh language skills were not required in 27% of posts</p> <p>Another description was given for 13% of posts</p>	<p>The Welsh language was an essential skill for 0% of the posts (0 of 98) advertised by the organisation</p> <p>The Welsh language was a desirable skill for 26% of the posts (25 of 98) advertised by the organisation</p> <p>It was stated that there was a need to learn Welsh in 0% of the posts (0 of 98) advertised by the organisation</p> <p>It was stated that Welsh language skills were not required in 16% of the posts (16 of 98) advertised by the organisation</p> <p>Another description was given for 58% of the posts (57 of 98) advertised by the organisation</p>
Promotion Strategies	<p>15 of the 21 organisations that are subject to a duty to comply had published a promotion strategy</p> <p>9 of the 15 strategies set a target relating to the number of Welsh speakers</p> <p>14 of the 15 strategies included strategic objectives, targets or action plans outlining activities to promote and facilitate the use of Welsh more widely, but their level of detail varied greatly</p>	<p>The organisation had published a promotion strategy</p> <p>The strategy did not set a target relating to the number of Welsh speakers</p> <p>The strategy did not include strategic objectives, targets or action plans that outline promotion activity and facilitate the use of Welsh more widely.</p> <p>The document was a framework for strategic action. It did not have a baseline in terms of demography or current provision. The intention is to map and shape a baseline of activities and numbers of Welsh speakers by ward before determining development measures from January 2017</p>

Appendix b) – Complaints regarding compliance with standards

Reference	Complaint	Date Rec'd	Response	Last Action	Status
CSG118	Lack of Welsh language swimming lessons	15.09.16	Draft action plan requested by OWLC and provided.	22.01.18:	<p>CLOSED</p> <p>OWLC Approved the authority's draft action plan.</p> <p>Plan activated on 24th January 2018 and followed.</p> <p>No further action</p>
CSG156	English-only on line payment of parking fine	26.10.16	System is available in both languages. Payment via external site may require cookies to be cleared otherwise system will pick up old data and display in English	18.04.18	<p>Commissioner decided not to open an investigation.</p>
CS168	Automatic reminder for resident parking permit sent in English only	07.02.17	Problem resulted from one-off manual handling error during the parallel running of two systems.	29.11.17	<p>CLOSED</p> <p>Final report received from OWLC and agreed.</p> <p>Subsequent action taken to prevent future occurrence.</p> <p>No further action req'd</p>

CSG201	English only response to a Welsh language email	30.03.17	Email marked urgent received out of office. Recipient sent reply in English only.	08.09.17 06.10.17	<p>CLOSED Final report and decision notice received and agreed.</p> <p>Swansea Council must:</p> <ol style="list-style-type: none"> 1. respond to Welsh correspondence in Welsh; 2. State in correspondence (including ALL email disclaimers) that we welcome correspondence in Welsh, etc. <p>Staff reminded of the requirements and disclaimer embedded along with all emails as default. No further action req'd.</p>
CSG311	English responses to a series of Welsh Language emails	15.01.18	Complainant had agreed that no WL translation was required for meetings with officer. Officer considered it was therefore acceptable to email complainant in English	22.01.18	<p>OPEN Agreed with Tesni Glyn of OWLC that an officer of Swansea Council was responsible.</p>

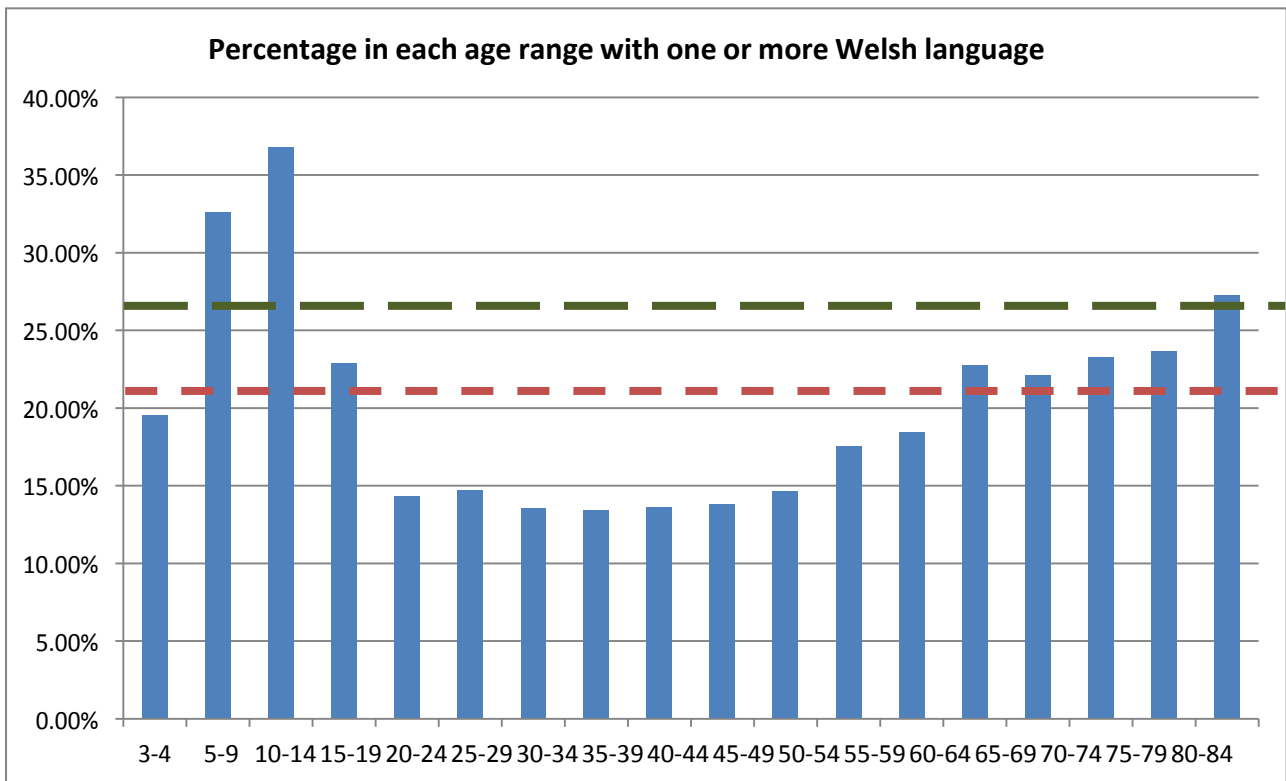
Appendix c) - Swansea Welsh Language demographics
 2011 Census - Percentage Welsh Language skills by electoral ward

	Can speak, read and write Welsh	Can speak and read but cannot write	Can speak but cannot read or write Welsh	Can understand spoken Welsh only	Other combination of skills	No skills
Bishopston	5.9	0.9	1.4	5.8	2.7	83.2
Bonymaen	6.1	0.6	2	4.7	2.1	84.5
Castle	5.3	0.7	1.3	3.2	2.4	87.2
Clydach	14.3	2	3.9	9.7	2.7	67.4
Cockett	6.9	1.1	1.7	5.4	2.4	82.6
Cwmbwrla	4.8	0.6	1.1	4.6	2.4	86.4
Dunvant	5	0.8	1.6	4.5	2.6	85.5
Fairwood	7.4	1.1	1.5	5.2	3.2	81.6
Gorseinon	8.3	1.7	2.8	8	3.2	76
Gower	6.8	0.8	2	5.6	2.4	82.4
Gowerton	9.5	1.2	2.3	6.7	3.5	76.7
Killay North	7.4	0.8	1.1	3.7	2.8	84.1
Killay South	4.6	1	1.1	5.5	3	84.7
Kingsbridge	12.1	1.8	3	9.2	3.7	70.2
Landore	4.5	0.7	0.9	3.6	1.8	88.6
Llangyfelach	13	1.3	2.5	7.4	2.5	73.3
Llansamlet	9.9	1.5	2.4	5.6	2.8	77.8
Lower Loughor	10.8	1.7	2.3	7.5	2.3	75.3
⁵ Mawr	29.3	4.4	4.5	11.1	2.8	47.9
Mayals	8.7	1.2	2	4.5	3.5	80
Morrison	8.2	1.3	2.3	5.9	2.8	79.6
Mynyddbach	7.1	0.9	1.6	5.2	2.6	82.5
Newton	7.2	1	1.8	4.2	2.5	83.3
Oystermouth	7.3	1	1.9	5.5	2.6	81.7
Penclawdd	8.8	2	3.8	8.9	3.9	72.6
Penderry	5	0.8	1.4	3.6	1.7	87.4
Penllergaer	10.2	1.9	3.1	6.7	2.3	75.9
Pennard	6.7	1.6	1.8	3.9	2.9	83.1
Penyrheol	9.1	2	3.8	9	3.3	72.9
Pontarddulais	22.5	3.1	5.8	11.4	2.8	54.4
Sketty	8.1	1	1.6	4.7	2.6	82
St. Thomas	4.8	0.5	1.3	3.6	1.8	88
⁶ Townhill	3.7	0.6	1.4	3.6	1.2	89.5
Uplands	8.2	0.9	1.3	3.8	2.9	82.8
Upper Loughor	11.3	1.6	3.5	9.8	3.9	69.9
West Cross	5.6	0.9	1.5	4.6	2.7	84.7
SWANSEA	8.1	1.2	2.0	5.5	2.6	80.7

⁵ Highest percentage of residents with Welsh language skills

⁶ Lowest percentage of residents with Welsh language skills

2011 Census - Welsh language skills by age – all Swansea



Average for Swansea total population aged 3+ shown as dotted line. Average for Wales total population aged 3+ shown as dashed line.

Agenda Item 14.



Report of the Cabinet Member for Education Improvement, Learning & Skills

Cabinet - 21 June 2018

School Organisation linked to the Welsh Education Strategic Plan

Purpose:	To consider the next steps required to progress the commitments within the WESP, as reflected in the Authority's approved 21 st Century Schools Band B Programme, and where appropriate approve the commencement of statutory consultation processes.
Policy Framework:	Capital Budget & Programme 2017/18- 2023/24 as reported to Cabinet on the 15 February 2018 QEd Programme Corporate Priorities; -Safeguarding people from harm -Improving education and skills -Tackling poverty -Transformation and Future Council development
Consultation:	Education, Finance, Legal Services, Corporate Building and Property Services
Recommendation(s):	It is recommended that Cabinet notes the next steps required to deliver the commitments within the WESP and approves the commencement of statutory consultation as appropriate, specifically: <ol style="list-style-type: none">1) Proposed relocation and enhancement of capacity and facilities at YGG Tan-y-lan2) Proposed relocation and enhancement of capacity and facilities at YGG Tirdeunaw (if required)3) Consultation on the proposed closure of YGG Felindre4) Proposed review of primary and secondary Welsh-medium catchment areas as necessary to reflect the proposed changes above
Report Authors:	Brian Roles / Louise Herbert-Evans
Finance Officer:	Ben Smith
Legal Officer:	Stephanie Williams
Access to Services Officer:	Sherrill Hopkins

1.0 Introduction

- 1.1 The purpose of this paper is to consider the next steps required to progress the approved commitments within the Welsh Education Strategic Plan (WESP), as reflected in the approved 21st Century Schools Band B Programme, and where appropriate approve the commencement of formal statutory consultation.
- 1.2 The Council's commitment to delivering Welsh-medium education is outlined in the WESP 2017-2020. The Council's QEd Programme is an important element in the delivery of the approved WESP strategy, and all stakeholders will continue to be engaged/communicated with during the lifecycles of the planning and delivery of the programme. The draft plan was submitted to Cabinet for approval on 17 November 2016. The final version of the original plan was approved by full Council on 20 April 2017. The WESP has been revised to reflect amendments requested following a Welsh Government (WG) review, progress during 2017 and updates to planned activity for 2018. This has now been formally approved by the WG in a letter dated the 23rd May 2018.
- 1.3 The actual number of pupils being taught through the medium of Welsh has been increasing over a number of years. There is an increase in the number of pupils entering Welsh-medium nursery provision in schools, which should be reflected in an increase in the percentage of Year 2 pupils after the end of the 2017-2020 plan. There has been a consistent increasing trend of the number of pupils being taught through the medium of Welsh at the age of seven (Year 2), which has increased by 27.1% in five years (332 to 432) and 70.9% in 10 years (247 to 422).
- 1.4 The WG formally confirmed on the 7 December 2017 that the envelope for Band B of the Council's 21st Century Schools/QEd Programme had been approved in principle, with an estimated programme envelope cost of £149.7 million. Subject to WG approval of individual business cases, and statutory consultation processes, Swansea's 21st Century Schools Programme Band B submission will support a challenging target of approaching 18% of pupils across the whole Welsh-medium sector by 2024. Access to capital investment to support Band B proposals would deliver a further 750 to 850 Welsh-medium places. An appropriate level of surplus places, consistent with national guidelines, would provide further flexibility to respond to even greater demand for places.

2.0 A Coherent and Consistent County Wide Strategy

- 2.1 There has been considerable growth in Welsh-medium provision and most schools are broadly appropriate in size to accommodate the nearest pupils (at present). However, there are pressures at a number of schools with constrained sites. The wider strategy for additional Welsh-medium places and a catchment review (subject to agreement and statutory consultation) will improve the balance of demand for and availability of places.
- 2.2 There are seven Welsh-medium primary schools in Swansea currently within 10% of total capacity (as at January 2018):
 - YGG Tan-y-lan: the school will manage the pressure on places over the next few years whilst funding is accessed to provide enhanced facilities and places on a larger site as part of Band B proposals.
 - YGG Tirdeunaw: Band B includes proposals for enhanced facilities (future proofed for future growth) re-located to an area currently part of a secondary Welsh-medium school site, as a separate school occupying the same site; this, coupled with the wider strategy for additional Welsh-medium places and catchment review, will better balance demand for and availability of places.

- YGG Pontybrenin: Band B includes proposals for enhanced facilities and places on a less constrained site (linked with a Local Development Plan (LDP) strategic site) which, together with the wider strategy for additional Welsh-medium places and catchment review, will better balance demand for and availability of places.
 - The county-wide strategy for additional Welsh-medium places and catchment review will better balance demand for and availability of places, including the other schools currently within 10% capacity (namely YGG Bryniago, YGG Bryn-y-môr, YGG Llwynderw and YGG Y Login Fach).
- 2.3 A bid has also been submitted within the WG deadline of the 1st June 2018 to seek access to the further capital investment funding (at an intervention rate of 100%) recently announced by the WG. This aims to facilitate the earlier delivery of additional Welsh-medium educational provision and add value to the proposals already supported in the approved Band B submission, in line with the objectives of the national strategy for 2050.

3.0 Overall Demand for Welsh-medium places

- 3.1 As at January 2018 there were 2,764 full-time primary-age pupils in Welsh-medium provision by comparison with total Welsh-medium primary places of 3,179 (an increase of 50 places since the Band B submission). Latest projections indicate that, even on the basis of current known pupil intakes, the total number of Welsh-medium full time pupils would be approaching 3,000 by September 2024. Allowing for a continuing general trend towards Welsh-medium provision and the inevitable uncertainty in relation to any projections based on current intakes it would be appropriate to plan for full-time pupil numbers of around 3,300. This would be consistent with the overall capacity required to meet the current level of reception numbers working through each primary year group and would allow the availability of places to get 'upstream' of trends in demand. This analysis has informed the projections within Swansea's WESP of 3,288, representing an increase of more than 3% each year.
- 3.2 As at January 2018 there were 1,701 secondary-age pupils in Welsh-medium provision by comparison with total Welsh-medium primary places of 2,270. Latest projections indicate that, on the basis of current known pupil intakes within the primary sector, the total number of Welsh-medium secondary pupils would be 2,415 by September 2024. Allowing for a continuing general trend towards Welsh-medium provision and the inevitable uncertainty in relation to any projections based on current intakes it would be appropriate to plan for secondary pupil numbers of around 2,600. This would again be broadly consistent with the overall capacity required to meet the current level of partner primary numbers working through to the secondary sector and once again seek to allow the availability of places to get 'upstream' of trends in demand. This analysis has again informed the projections within Swansea's WESP of 2,609, representing an increase of more than 7% each year, and the additional places target within the WESP.
- 3.3 The above targets are already challenging, however, national policy in relation to the 2050 target seeks to further enhance the number of Welsh-medium places and so allow even greater 'headroom' to support a continuing trend of increasing demand. On this basis a further 200 to 300 places could be sought in both sectors, whilst seeking to balance the aspiration for more provision with the need to avoid creating unnecessary surplus places. Any further increase in places would be entirely dependent on access to the necessary additional capital funding from the WG through the recently announced initiative. Any short-term surplus capacity would allow greater flexibility to support wider national aims around childcare and wider community opportunities such as Welsh classes for adults.

3.4 Initial discussions have taken place with some of the schools, the Early Intervention and Prevention Team and the Welsh Early Years charity Mudiad Meithrin, from which it was established that there may be opportunities to provide a mix of day care, wrap around care and holiday clubs at schools where we have options to increase capacity. As well as managing the initial surplus capacity, these opportunities could attract more families into Welsh medium education and so increase demand further.

4.0 Rebalancing the Demand and Availability of Places

4.1 The table below summarises the analysis of primary places underpinning the strategy set out in the WESP and the 21st Century Schools Band B submission, updated with the latest available data (January 2018). It compares the current number of full time pupils with a mapping of the number of those pupils nearest to each proposed primary school site for those pupils within Swansea. The previous full-time pupils as at June 2016 (the data available to inform the WESP and Band B submission) are also provided for comparison.

School	School full-time capacity (September 2017)	Full-time pupils (January 2018)	Pupils attending (June 2016)	Total mapped pupils if attend nearest school (Jan 2018)
Bryniago	222	196	201	201
Bryn-Y-Môr	260	249	255	309
Felindre	77	20	47	12
Gellionnen	305	234	230	236
Llwynderw	320	292	275	214
Lôn Las	525	429	436	369
Pontybrenin	474	453	456	416
Tan-y-lan	120	140	107	296
Tirdeunaw	413	394	391	386
Y Cwm	193	102	61	122
Y Login Fach	220	224	202	114

4.2 The analysis shows a lack of capacity at the current constrained YGG Tan-y-lan site and also at the constrained YGG Bryn-y-môr site. Consequently, there is added pressure on the available places at YGG Tirdeunaw, YGG Pontybrenin and YGG Y Login Fach which are already close to capacity.

4.3 Relocation and expansion of YGG Tan-y-lan

- The existing site is struggling to accommodate the current 140 full-time pupils with its current limited capacity and there are already enough pupils nearest to the proposed new site for the school to support a 1.5 Form Entry (FE) School: i.e. with one-and-a-half classes of learners admitted each year (45). The new, larger site could accommodate at least a 1.5FE school (as included within the Band B submission and consistent with the number of pupils currently nearest to the proposed new site) and relieve pressures at YGG Tirdeunaw and YGG Pontybrenin with a catchment review to further re-balance the demand for, and availability of places, and ensure future sustainability.

- Increasing the size of the school by more than 25%, as would be the case, would require statutory consultation under the School Organisation Code, and therefore this report recommends that we begin this statutory consultation period in September 2018 with a view to implementing the increase in January 2021 when the school would be rebuilt on a new site.
- The recently announced further WG capital funding to facilitate the earlier delivery of additional Welsh-medium provision could support the delivery of a 2FE new build for the school to further enhance future provision.
- An appropriate site capable of accommodating a 2FE school has been identified, relatively close to the existing site and remaining central to the area from which most pupils are currently drawn.
- There is potential for short/medium-term use of some of the additional capacity and facilities to support child care/wrap-around care/adult Welsh classes etc. Initial discussions with the Early Intervention and Prevention Team indicate that there could be an opportunity to provide day care, wrap around and holiday clubs at this venue. The proposed new location for YGG Tan-y-lan would mean that it would be in close proximity to the M4 and major employers including the DVLA and Morriston Hospital, which are likely to generate considerable demand for WM pre-school childcare in this location.

4.4 Relocation and expansion of YGG Tirdeunaw

- There are difficulties with the current site and any rebuild would be likely to be a more expensive option, as it would involve demolishing the existing buildings. If the school is relocated to an area, currently part of the YG Bryn Tawe site, it will also then be able to benefit from the shared use of the wider facilities. The new location would be less than a mile from the current site and is also more central to the majority of current pupils attending the school, which would in turn support the proposed catchment area reviews in consideration of other proposals and options, as outlined below, to better reflect the demand with places in the right location.
- A 2FE new build is included within the Band B submission, which would be 'future proofed' to allow future expansion to 2.5FE as required. The recently announced further WG capital funding to facilitate the earlier delivery of additional Welsh-medium provision could support the delivery of a 2.5FE new build for the school from the outset although this would require a statutory consultation process because the school would increase in capacity by more than 25% overall over a 5 year period. Therefore this report recommends that, subject to approval of the additional capital funding to increase the size of the school to 2.5FE, we begin this statutory consultation period in September 2018 with a view to implementing the increase in January 2021 when the school would be rebuilt on a new site.
- Work is continuing to seek WG support to bring forward the delivery of this new build to, as far as possible mirror the timescale for the new build YGG Tan-y-lan, but this is dependent on the funding model within the detailed business case being approved by the WG.
- There is potential for short/medium-term use of some of the additional capacity and facilities to support child care/-wrap-around care/adult Welsh classes etc. as well as facilitating the potential future development of a primary Welsh-medium Specialist Teaching Facility, (that would be subject to a further statutory consultation). Initial discussions with the Early Intervention and Prevention Team indicate that there could be an opportunity to provide wrap around and holiday clubs at this venue. Holiday club provision might here also work well in proximity to Penlan Leisure Centre.

4.5 Closure of YGG Felindre

- The number of full time pupils at the school have fallen from 47 in 2016 to 36 in 2017 and to just 20 as at January 2018. Most of these pupils are from neighbouring catchment areas rather than local to the school with just 6 pupils currently from within its own catchment. It is quite clear from the trend in intakes over the last few years that the school is no longer viable. This scale of reduction in pupil numbers inevitably impacts on the school budget share and hence the current staffing structure within the school.
- One of the main themes of the Audit Commission's report Rationalising Primary School Provision was the need for local authorities to consider the closure of those small primary schools that were not justified by local circumstances. Three arguments were put forward against small primary schools:
 - Cost: small schools attract greater funding per pupil than larger ones;
 - Expertise: the National Curriculum demands a breadth of expertise that is more difficult to provide in a school with only two or three teachers; and
 - Resources: small schools are less likely to have basic facilities, such as halls and playing fields, without which such pupil activities as drama and team sports are likely to be curtailed.
- Although there is no exact definition of what constitutes a small primary school, the Audit Commission analysed delegated budgets per pupil against numbers on roll and there was a marked increase in spending per pupil for schools of below about 90 pupils. The Audit Commission therefore recommended that local authorities keep under review primary schools with under 90 pupils on roll, to satisfy themselves that each is justified.
- It has proved difficult to attract a headteacher to this small school, leading to a number of short-term interim appointments over the last few years. Sustainable leadership is needed to ensure that standards for learners are maintained. Full consideration has been given to alternatives to closure, including the potential for federation, however, no viable alternative has been identified.
- The recommendation in this report is to begin statutory consultation in September 2018, with a view to closing YGG Felindre with effect from 31 August 2019, with pupils transferring to YGG Tirdeunaw as the next nearest school, unless the proposal to relocate YGG Tan-y-lan to the site at Clase is approved in which case it would be the nearest school and would take the pupils from YGG Felindre's catchment area. Transport would be provided to the new school as per the Home to School Transport Policy.

4.6 Enhanced facilities for YGG Pontybrenin and wider future needs

- There are also significant condition and suitability issues at YGG Pontybrenin. In spite of the additional accommodation recently delivered on site, further enhanced facilities are also required to ease the pressure on places, and an alternative site is required. The development of a strategic LDP site presents the best opportunity to deliver a less constrained site with the accommodation and facilities appropriate for a 2.5FE School.
- There is likely to be a need for further places in the future to meet the growing demand within the wider Gorseinon area and this could be through the establishment of an additional school or additional accommodation linked to an existing school. This need will continue to be reviewed in the light of the impact of the significant further increase in places across the county and the review of existing catchment areas.

- Further additional schools may be required in the future in the light of the impact of wider LDP strategic site developments but these need to be carefully managed to ensure that excessive surplus places are not created in the short to medium term.

4.7 Potential enhancement of capacity and facilities at YGG Bryn-y-mor and YGG Y Login Fach

- There is some scope to increase the number of places, and enhance the facilities available at both schools, which are currently at or close to their full capacity. Any such proposals would be entirely dependent on the outcome of the bid for additional capital grant from the WG. Full consideration would be given to the views of the schools concerned regarding the potential revised admission numbers and consequently the classing structures within each school.

4.8 Enhancement of capacity and facilities at secondary schools

- Demand for primary places adds to the existing secondary pressures. There is already projected to be insufficient capacity at YG Gwyr to accommodate the numbers transferring from partner primary schools even without any further growth in primary numbers. Even with a catchment review to re-balance the availability and demand for places, additional accommodation and facilities are essential at both existing secondary school sites. This is reflected in the investment priorities within the approved Band B funding submission. In later Bands of the 21st Century Schools Programme the potential establishment of a third Welsh-medium secondary will need to be considered.

5.0 Catchment reviews

- With such a further increase in Welsh-medium places to serve the area, as well as a relocation, it is essential to review the catchment area of YGG Tan-y-lan which currently reflects the limited capacity of the site. This in turn inevitably requires a review of the catchment areas of the neighbouring schools – YGG Tirdeunaw, YGG Pontybrenin, YGG Bryn-y-mor and YGG Y Login Fach – in order to rebalance the availability of, and demand for Welsh-medium primary places across the county. This in turn will also rebalance the availability of, and demand for Welsh-medium secondary places.
- The maps below show the current catchment areas and school locations as well as the proposed catchments and school locations.
- The proposed catchment changes to a large extent formalise the choices already being made by parents and as such should not significantly destabilise intake numbers in future years. This is apparent from a comparison of the number and proportion of current pupils from within current catchment areas with the number and proportion after the proposed changes to catchment areas, as well as the specific pupil distribution maps for each school, which are available.

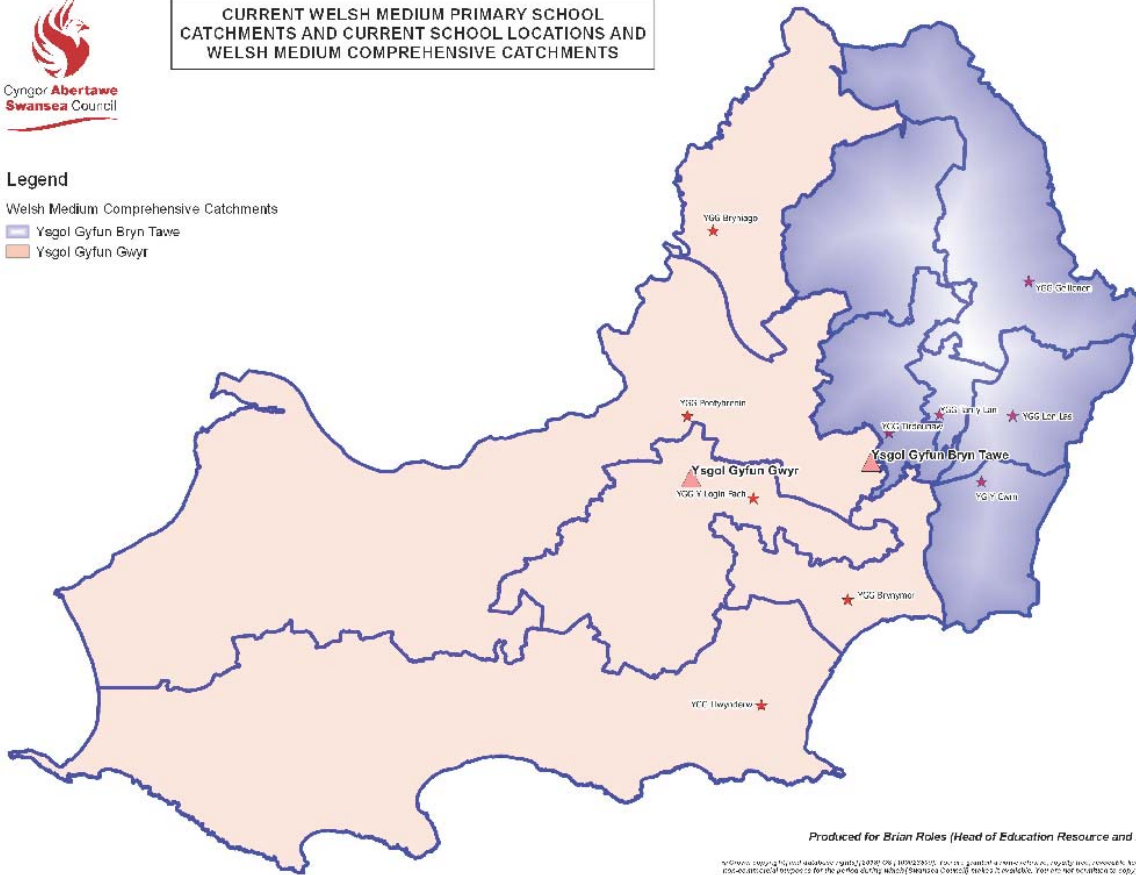


Cyngor **Abertawe**
Swansea Council

**CURRENT WELSH MEDIUM PRIMARY SCHOOL
CATCHMENTS AND CURRENT SCHOOL LOCATIONS AND
WELSH MEDIUM COMPREHENSIVE CATCHMENTS**

Legend

Welsh Medium Comprehensive Catchments
■ Ysgol Gyfun Bryn Tawe
■ Ysgol Gyfun Gwyr



Produced for Brian Roles (Head of Education Resource and Planning) - April 2018

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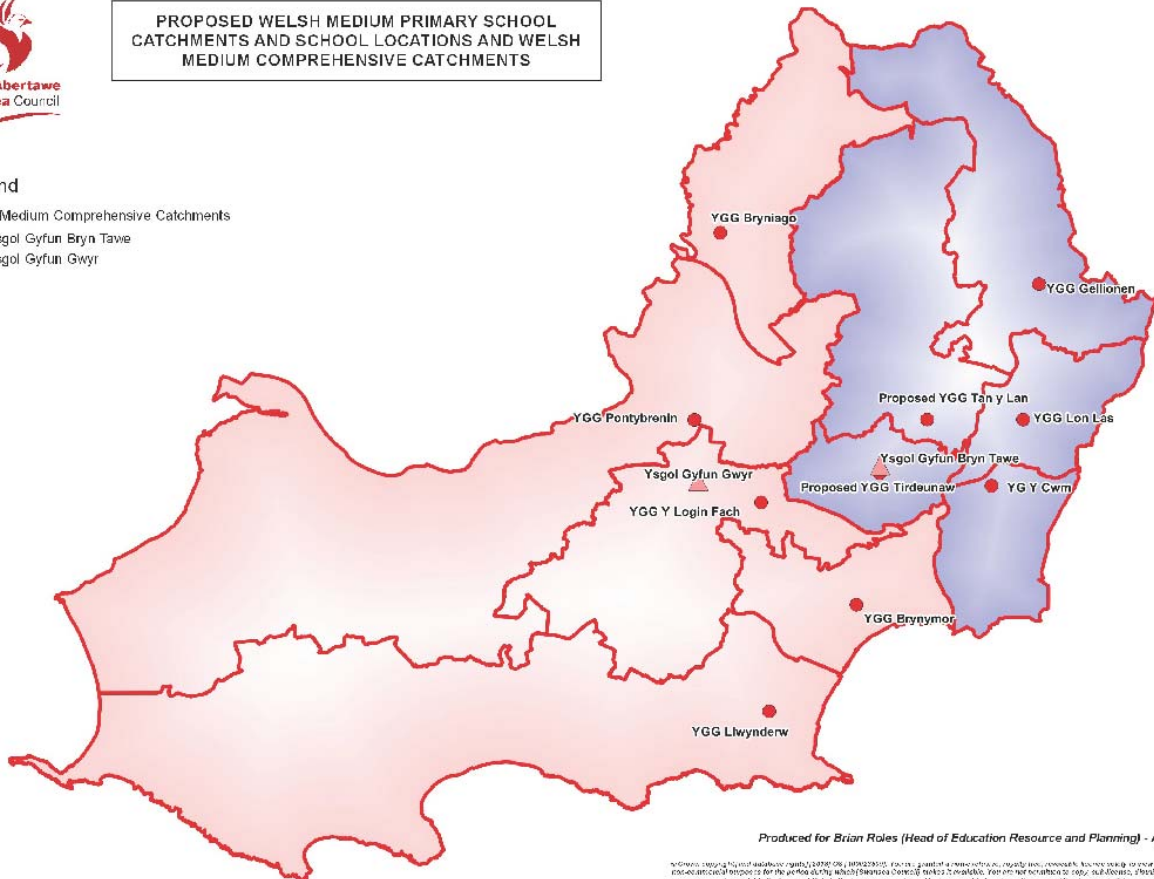


Cyngor **Abertawe**
Swansea Council

**PROPOSED WELSH MEDIUM PRIMARY SCHOOL
CATCHMENTS AND SCHOOL LOCATIONS AND WELSH
MEDIUM COMPREHENSIVE CATCHMENTS**

Legend

Welsh Medium Comprehensive Catchments
■ Ysgol Gyfun Bryn Tawe
■ Ysgol Gyfun Gwyr



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School	% of Current pupils within CURRENT catchment area	% of Current pupils within PROPOSED catchment area
Bryniago	81.4%	81.4%
Bryn-Y-Môr	76.1%	74.1%
Gellionnen	78.2%	78.2%
Llwynderw	69.4%	69.4%
Lôn Las	69.5%	69.5%
Pontybrenin	90.1%	83.0%
Tan-y-lan	70.7%	83.6%
Tirdeunaw	47.6%	68.4%
Y Cwm	69.3%	69.3%
Y Login Fach	87.9%	80.7%

- The catchment proposals seek to maintain a careful balance between the changes and refinements that are necessary to better reflect the demand for and availability of places, and the desire to minimise unnecessary uncertainty and destabilisation for parents and schools. All existing pupils can be reassured that any changes will not affect them since changes will be phased in for new pupils. Similarly, the local authority will recognise the need to support families for siblings to attend the same school where this is requested by parents. This obligation will last until August 2021 (on assumption of a construction completion date in January 2021) as the local authority will seek to admit younger siblings transferring to the original catchment school up to the end of Year 6 for primary aged siblings and up to Year 11 (that is to the end of statutory school age) for secondary aged siblings.

6.0 Implications for Home to School Transport Costs

- A comparison of the number of pupils currently within a two-mile available walking distance of each school with the number after the proposed catchment area changes should, once the changes have become embedded, reduce the distance that pupils need to travel as well as mitigating the costs of home to school transport to maximise the resources available to support the provision of education within schools.
- An initial 'broad brush' technical assessment by Transportation shows:
 - Modest longer-term savings likely in transport costs once transitional protection for existing pupils comes to an end (savings after 4 years with full realisation after 7 years)
 - For most schools there would be no change
 - If YGG Felindre is closed there will clearly be some additional transport costs – estimated at £15k per annum

- An estimated saving of £10k per annum for YGG Pontybrenin
- Estimated additional costs of £16k per annum for YGG Tirdeunaw
- Estimated additional costs of £19k per annum for YGG Bryn-y-mor
- An estimated saving of £38k per annum for YGG Y Login Fach
- An estimated saving of around £8k per annum for YG Gwyr
- Over time it would be hoped that savings would grow to some extent as the improved spread of places is embedded in the minds of parents, allowing resources to be used to benefit the education provision for pupils. Nevertheless, the changes proposed are educationally driven and not financially driven.

7.0 Processes and Timescales

- 7.1 The new builds for YGG Tan-y-lan, and YGG Tirdeunaw, which form part of the Band B submission, will be subject to further approvals by WG upon receipt of an Outline Business Case (OBC) and then Full Business Case (FBC) from the Council.
- 7.2 The further increased capacity for YGG Tan-y-lan and YGG Tirdeunaw, (by 0.5 FE to take the total capacity to 2FE and 2.5FE respectively) will be subject to WG approval of the WM capital grant application. The potential to increase the capacity by up to 60 places for YGG Bryn-y-mor and YGG Y Login Fach will also be subject to WG approval of the Welsh-medium capital grant application.
- 7.3 These projects will also be subject to a planning application.
- 7.4 The relocation and enlargement of YGG Tan-y-lan, and the proposed closure of YGG Felindre, will both be subject to a statutory consultation. For YGG Tirdeunaw, if the WG approve the additional funding to increase the capacity to 2.5 Form Entry, then this will also require a statutory consultation. All the proposals would require catchment area reviews.
- 7.5 Subject to the outcome of the statutory consultation process, planning approval, and the approval by WG of the grant applications and business cases as appropriate the proposed implementation timeline is as follows:
- Closure of YGG Felindre on 31 August 2019
 - Relocation and enlargement of YGG Tan-y-lan in January 2021
 - Relocation and enlargement of YGG Tirdeunaw in January 2021
 - New catchment areas allocated in September 2021

8.0 Equality and Engagement Implications

- 8.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

- 8.2 As part of this process we will also be considering the Well-being of Future Generations Act. The Act ensures that public bodies think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach.
- 8.3 All stakeholders will be fully engaged as each project is developed through the statutory consultations that will be required.
- 8.4 Community Impact Assessments have been prepared as per the School Organisation Code in preparation for Cabinet's decision to begin statutory consultation on the proposals for YGG Felindre, YGG Tan-y-lan and YGG Tirdeunaw.

9.0 Financial Implications

Capital

- 9.1 WG funding for Band B of the 21st Century Schools Programme is being provided through £600m capital and £500m revenue funding for the whole of Wales. It is proposed that the capital investment schemes related to the specific proposals within this report are funded from traditional capital streams. For Band B the grant rate for capital projects remains at 50%.
- 9.2 The total estimated cost of the above schemes is £21.95m with £17.1m against the overall Band B programme envelope of £141.6m (excluding the potential aided sector project which is assumed to require no Council contribution) and the remaining £4.85m assumed to be from the recently announced WG Welsh Language Capital Grant. This would require a local contribution of £8.505m from the overall net funding requirement (after allowance for realisable capital and other receipts) of £38.4m.
- 9.3 The WG have approved in principle the overall Band B funding envelope subject to the specific approval of each individual scheme business case. As such there is no specific approved budget for any individual scheme. The funding mechanism and timescale for delivery is still to be confirmed with the WG and the delivery of all the schemes is dependent on final approval of Band B funding and the specific additional WG capital grant.
- 9.4 Cost estimates are on a current-cost basis, with no allowance for construction inflationary pressures, where there is uncertainty regarding the timing of projects. However, optimism bias has been applied to each project in accordance with the lessons learned from delivery of Band A, and based on assessment of outstanding programme risks / unknowns.
- 9.5 The approval in principle of the Strategic Outline Programme for Band B does not commit the Council to the indicative funding contributions set out above since the final approval of any capital allocation from the WG is subject to the submission of further detailed business cases in respect of each specific project. Further reports will come to Cabinet for each project within the approved programme, which will include developed cost plans for each project following the further development of options appraisals and detailed design.
- 9.6 The future of the current YGG Felindre site would be considered should this proposal be approved. In accordance with current policy, any capital receipt generated from a future disposal of the Felindre site will contribute towards the Council's overall capital receipt target to fund the capital programme and will not be allocated for any other specific purpose.

Revenue

- 9.7 Schools are funded from an overall delegated budget – the Individual Schools Budget (ISB). There is a funding formula that allocates a budget share to each individual school from the ISB. The budget share for the school receiving the learners from YGG Felindre would increase to include the number of learners moving there. Any additional delegated revenue savings from the closure of YGG Felindre will be reinvested into the ISB for the benefit of all pupils in Swansea. The 2018-19 revenue funding per pupil for YGG Felindre of £8,815 compares with an average for primary schools in Swansea of £3,487.
- 9.8 Closure of schools can lead to some initial increased costs, for example redundancy costs and transport costs. Although we would recommend to governors at the school receiving the learners from YGG Felindre that all new posts to support the additional learners are ring-fenced to existing employees at YGG Felindre, there could be some staff that are not successful in matching against a post, with redundancy costs charged to central budgets.
- 9.9 There will be additional transitional transport costs whilst existing pupils are protected from the impact of catchment changes but in the longer term modest overall savings would be anticipated as a greater proportion of pupils have access to places nearer to home.

10.0 Legal Implications

- 10.1 The various proposals will necessitate the legal implications to be reviewed and updated on a regular basis. Education, Employment, Highways, planning property and contracts/procurement legal advice will need to be obtained as the proposals progress and more detail is given.
- 10.2 The establishment, alteration or discontinuance of maintained schools requires consultation and the publication of statutory notices in accordance with Chapter 2 and Schedule 2, of the School Standards and Organisation (Wales) Act 2013 (“the Act”) and the Welsh Government’s School Organisation Code (Circular 006/2013) (the Code). The Code provides statutory guidance a Local Council must follow when seeking to making school organisation proposals to education provision within a Local Council area.
- 10.3 Catchment areas form part of the Local Council’s (LA’s) admission arrangements. Where a Local Council (LA) propose to revise the catchment areas for an existing school the LA must publish and consult on those proposals in the same way as any other admission arrangements. The Local Council must have regard to Section 89 of the School Standards and Framework Act 1998, the Education (Determination of Admission Arrangements) (Wales) Regulations 2006, and the WG’s Admissions Code (Circular 005/2013). These require Admission Authorities to consult and determine school admission arrangements annually. The Regulations set a timescale for the consultation and determination of admission arrangements.
- 10.4 Any offer of grant funding from the WG will be subject to terms and conditions which will be binding upon the Local Council.
- 10.5 The School Organisation Code specifies the detail that the equality and community impact assessments must cover in a proposed school closure and full consideration needs to be given to these before any decision is made.

11.0 Background Papers:

School Standards and Organisation (Wales) Act 2013;
Welsh Government School Organisation Code (Circular 006/2013)
School Standards and Framework Act 1998, the Education (Determination of Admission Arrangements) (Wales) Regulations 2006; Welsh Government's Admissions Code (Circular 005/2013)

12.0 Appendices:

Appendix A - Indicative funding model for specific WM schemes proposed within this report

Appendix B - Indicative spend profile for WM schemes subject to WM grant application.

Appendix C – Band B 21st Century Schools programme capital expenditure & financing 2017/18 - 2023/24 to show revised profiling and the switch of MIM funded projects to bring forward YGG Tirdeunaw

Appendix A - Indicative funding model for specific WM schemes proposed within this report:

School Name	Total scheme cost	WM grant application 100% funding	Band B funding 50% WG and 50% LA
YGG Tan y lan	£8,262,000	£2,100,000	£6,162,000
YGG Tirdeunaw	£12,138,000	£1,200,000	£10,938,000
YGG Bryn-y-mor	£975,000	£975,000	
YGG Login Fach	£575,000	£575,000	
Totals	£21,950,000	£4,850,000	£17,100,000

Appendix B - Indicative spend profile for WM schemes subject to WM grant application.

<u>CAPITAL COSTS</u>	2018/19	2019/20	2020/21	2021/22	TOTAL
<u>Expenditure</u>					
YGG Bryn-y-mor		963,000	12,000		975,000
YGG Login Fach		567,500	7,500		575,000
YGG Tan-y-lan		1,035,000	1,035,000	30,000	2,100,000
YGG Tirdeunaw		591,000	591,000	18,000	1,200,000
EXPENDITURE	0	3,156,500	1,645,500	48,000	4,850,000
<u>Financing</u>					
To be funded 100% funded by Welsh Government (subject to grant application approval)					
FINANCING	0	3,156,500	1,645,500	48,000	4,850,000

Appendix C – Band B 21st Century Schools programme capital expenditure & financing 2017/18 - 2023/24 to show revised profiling and the switch of MIM funded projects to bring forward YGG Tirdeunaw

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	2023/24	Total
Band B	Actual spend	Forecast spend	Forecast spend	Forecast spend	Forecast spend	Forecast spend	Forecast spend	Forecast spend	Forecast spend	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXPENDITURE										
21st Century Schools Programme (Band B)										
New build for Gorseinon Primary School				420	80					500
Education other than at School new premises		137	1563	9985	146					11831
Band B Schools			1000	19504	14785	13389	49111	38608	967	137364
Site feasibility	66	184								250
TOTAL EXPENDITURE	66	321	2563	29909	15011	13389	49111	38608	967	149945
FINANCED BY:										
Welsh Government funding										
Traditional capital grant funding			850	15454	6830	5370	11690	5143	184	45521
Mutual Investment Model (MIM) financing						1127	17782	18547	371	37828
Voluntary Aided Schools MIM financing						698	3142	3056	86	6983
Swansea Council funding										
Capital receipts estimate							2360	5000		7360
MIM financing					425	676	5202	6182	124	12609
Borrowing requirement	66	321	1713	14454	7505	5395	8630	143	184	38411
Voluntary Aided funding										
MIM financing					250	123	305	536	19	1232
TOTAL FINANCING	66	321	2563	29909	15011	13389	49111	38608	967	149945

Agenda Item 15.



Report of the Cabinet Member for Education Improvement, Learning & Skills

Cabinet – 21 June 2018

Small School Review

Purpose:	To note the small schools in Swansea and to seek approval to consult on a proposal to close one of these schools, Craigeffnparc Primary School, with effect from 31 August 2019.
Policy Framework:	QEd 2020 Programme Corporate priorities: -- Improving education and skills
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) Approval is given to consult on a proposal to close Craigeffnparc Primary School with effect from 31 August 2019. 2) Cabinet considers responses following the consultation period. 3) Cabinet continues to review small schools as outlined in this report.
Report Author:	Kelly Small
Finance Officer:	Chris Davies
Legal Officer:	Stephanie Williams
Access to Services Officer:	Sherill Hopkins

1. Small Schools

- 1.1 One of the main themes of the Audit Commission's report *Rationalising Primary School Provision* was the need for local authorities to consider the closure of those small primary schools that were not justified by local circumstances. Three arguments were put forward against small primary schools:

- Cost: small schools attract greater funding per pupil than larger ones;
- Expertise: the National Curriculum [and the new, emerging Curriculum for Wales] demands a breadth of expertise that is more difficult to provide in a school with only two or three teachers; and
- Resources: small schools are less likely to have basic facilities, such as halls and playing fields, without which such pupil activities as drama and team sports are likely to be curtailed.

Although there is no exact definition of what constitutes a small primary school, the Audit Commission analysed delegated budgets per pupil against numbers on roll and there was a marked increase in spending per pupil for schools of below about 90 pupils. The Audit Commission therefore recommended that local authorities keep under review primary schools with under 90 pupils on roll, to satisfy themselves that each is justified.

- 1.2 In January 2018 there were three schools with less than 90 pupils in the City and County of Swansea:
- Craigcefnparc Primary School – 55 FTE*/56 whole school
 - Pengelli Primary School – 89.5 FTE/97 whole school
 - YGG Felindre – 21 FTE/22 whole school
- *FTE = full-time equivalent, where part-time nursery pupils are counted as 0.5

- 1.3 The Welsh Government’s School Organisation Code also states:
 “It is important that funding for education is cost effective. Relevant bodies should take into account the following factors in relation to the resourcing of education:

- Whether proposals will ensure a fairer and more equitable distribution of funding between mainstream schools within the local authority’s area. Whilst some variation in the per capita funding provided to schools is to be expected, inefficient patterns of school organisation can result in uneven and unfair funding patterns where some schools receive a disproportionate share of funding at the expense of pupils attending other schools in the area. Proposals should not exacerbate such funding differences. Rather, wherever possible, they should contribute towards establishing a more equitable pattern of school funding”.

For the three small schools in Swansea the revenue funding per pupil is as follows, by comparison with the average for primary schools in Swansea of £3,487 (FY2018-2019 Section 52 figures):

- Craigcefnparc Primary School - £4,742
- Pengelli Primary School - £4,289
- YGG Felindre - £8,815

2. Review of Small Schools in Swansea

- 2.1 Pengelli Primary School have a number on roll that is around the 90 level and pupil numbers are stable. Consequently, there is no proposal to close the school and the authority will continue to monitor the position each year,

as part of its statutory responsibility to oversee and effectively plan for the appropriate number and location of school places across the county as a whole.

- 2.2 YGG Felindre is considered in another report for Cabinet as part of a wider review of Welsh-medium educational provision as per the Welsh Education Strategic Plan (WESP), and the recommendation under that report is to consult on closure of this small school.
- 2.3 Appendix A shows the current pupil numbers at Craigeffnparc Primary School and catchment preferences. The recommendation of officers is that Craigeffnparc Primary School is unsustainable with falling numbers on roll and no realistic prospect of a future recovery in numbers. This inevitably results in inflated costs per pupil and continuing difficulty setting a balanced budget for FY2018-2019 and future years. Similar suitable education can be provided in existing available capacity at neighbouring Clydach Primary School.
- 2.4 There are two nearby schools less than 2 miles away. Moving pupils from Craigeffnparc Primary School to Clydach Primary School would establish a larger, more sustainable school with greater curriculum and resource access, as well as allowing enhanced social and sporting opportunities for the learners and preparing them for their move to a larger secondary school. Clydach Primary School has capacity for all the present pupils, so allowing the children to retain existing friendships. Of the total number of English-medium pupils within the Craigeffnparc catchment, 9% have currently opted for a place at Clydach Primary, whilst 12% of pupils at Craigeffnparc are from the Clydach catchment area. Some families may prefer a smaller setting than Clydach Primary School and would be able to use their parental choice to request admission at other schools, subject to places being available.
- 2.5 Alternatives to closure have been considered, including Federation where Craigeffnparc and another school could continue to exist but under one new governing body, and could then share staffing and resources; however this would make minimal savings and officers believe this is not sustainable longer term. To date, another school with which Craigeffnparc could federate has not been identified by the local authority or governors.
- 2.6 Approval is therefore being sought to consult on a proposal to close Craigeffnparc Primary School on 31 August 2019 with pupils moving to Clydach Primary School on 1 September 2019. School organisation proposals must adhere to the School Organisation Code and the School Standards and Organisation (Wales) Act 2013. A period of consultation must be undertaken with interested parties and relevant information must be provided in a consultation document. A detailed consultation paper will be prepared and circulated to those required under the School Organisation Code in September 2018 if Cabinet decide to progress the proposal to the consultation stage. The Welsh Government and Estyn must be consulted at this stage of proposal. All views received during the

consultation period will be collated into a further report for Cabinet who will then decide if the proposal should move to the next stage – a period of Statutory Notice. Formal objections can be lodged during the Statutory Notice period. If any objections are received then a local determination will be needed on the outcome of the proposal.

- 2.7 The proposed timeline for the statutory process, following the requirements of the School Organisation Code, would be:

5 September 2018	Begin consultation
18 October 2018	End consultation
20 December 2018	Cabinet review consultation responses and decide if they want to move proposal to the next stage. If they proceed -
9 January 2019	Publish statutory notice inviting objections
6 February 2019	End of objection period
21 March 2019	Cabinet determine outcome of proposal
31 August 2019	School closes (if approved)

3. Financial Implications

Capital

- 3.1 A capital investment of £50,000 is being sought to reorganise the toilet facilities for the Foundation Phase at Clydach Primary School, to provide better access and improved location of provision for younger pupils. It is proposed to fund this cost from remaining uncommitted capital monies across Education schemes.
- 3.2 The future of the current site, including the feasibility of potential community transfer, will be considered should this proposal be approved.

Revenue

- 3.5 Schools are funded from an overall delegated budget – the Individual Schools Budget (ISB). There is a funding formula that allocates a budget share to each individual school from the ISB. The budget share for Clydach Primary School would increase to include the number of learners moving there from Craigcefnparc Primary School. Any additional savings from the closure of Craigcefnparc (after transport costs are funded) will be reinvested into the ISB for the benefit of all pupils in Swansea.
- 3.6 Closure of schools can lead to some initial increased costs, for example redundancy costs and transport costs. Although we would recommend to governors at Clydach Primary School that all new posts to support the additional learners are ring-fenced to existing employees at Craigcefnparc Primary School, there could be some staff that are not successful in matching against a post, with redundancy costs charged to central budgets. Home to School Transport would be required to Clydach for

learners where there is not an available walking route. Further details on financial implications are provided at Appendix B.

4. Legal Implications

4.1 Reorganisation of school provision involving the establishment or discontinuance of community schools requires consultation and the publication of statutory notices in accordance with the School Standards and Organisation (Wales) Act 2013 (“the Act”) and the Welsh Government’s School Organisation Code.

4.2 Before publishing any proposals relating to the establishment of a school under s41 of the Act, or discontinuing a school under s43 of the Act, the Authority (Proposer/s) is under a duty, by virtue of s48 of the Act, to consult on such proposals. Guidance has been issued by the Welsh Government in Circular 006/2013 entitled the “School Organisation Code” which must be followed:

- a) At the start of the consultation period Proposers must provide consultees with a consultation document and give them at least 42 days in which to respond, with at least 20 of these being school days.
- b) Consultation comments must be collated and summarised by Proposers. This summary together with the responses to the comments must be published in a consultation report within three months of the end of the consultation period.
- c) A decision must be made by Proposers whether to proceed with changes within 6 months of the end of the consultation period.
- d) If a decision is made to proceed, a Statutory notice is published providing a 28 day notice period for objections. The notice must be published on a school day and with 15 school days (not including the day of publication) in the notice period.
- e) If objections are received, an objection report must be published providing a summary of the objections with responses to them before the end of 7 days beginning with the day of the Proposers determination of the proposals.
- f) The Proposer must determine under s53 whether the proposals are to be implemented. Proposals must receive final determination within 16 weeks of the end of the objection period. Local determination is a requirement of the School Organisation Code, and The Local Authorities (Executive Arrangements) (Functions and Responsibilities) (Wales) (Amendment) Regulations 2013 allow for this local determination. The Welsh Ministers and Governing Bodies are to be notified of the decision within 7 days of the decision.

- g) If the Proposer determines to implement proposals, they should be implemented in accordance with the date given in the statutory notice, or any subsequent modified date.

- 4.3 Failure to comply with the statutory consultation requirements in the Act and Code will leave the Authority open to Judicial Review and the decision could be quashed by the Courts.

Case law has established that the consultation process should:

- be undertaken when proposals are still at a formative stage;
- include sufficient reasons and information for particular proposals to enable intelligent consideration and response;
- provide adequate time for consideration and response; and
- ensure that the product of consultation is conscientiously taken into account when the ultimate decision is taken.

- 4.4 The School Organisation Code specifies the detail that the equality and community impact assessments must cover and full consideration needs to be given to these before any decision is made.

- 4.5 The proposal will necessitate the legal implications to be reviewed and updated on a regular basis. Education, and employment, legal advice will need to be obtained as the proposals progress and more detail is given.

5. **Equality and engagement implications**

- 5.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
 - Advance equality of opportunity between people who share a protected characteristic and those who do not
 - Foster good relations between people who share a protected characteristic and those who do not

Our Equality Impact Assessment (EIA) process ensures that we have paid to regard to the above. A full EIA report is underway on this proposal, and this will be progressed alongside the consultation and finalised after this period. It will form part of the papers presented to Cabinet for decision.

- 5.2 As part of this process we will also be considering the Well-being of Future Generations Act. The Act ensures that public bodies think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach.
- 5.3 A Community Impact Assessment has been undertaken, will form part of the consultation papers, and will be reviewed in the light of the consultation responses.

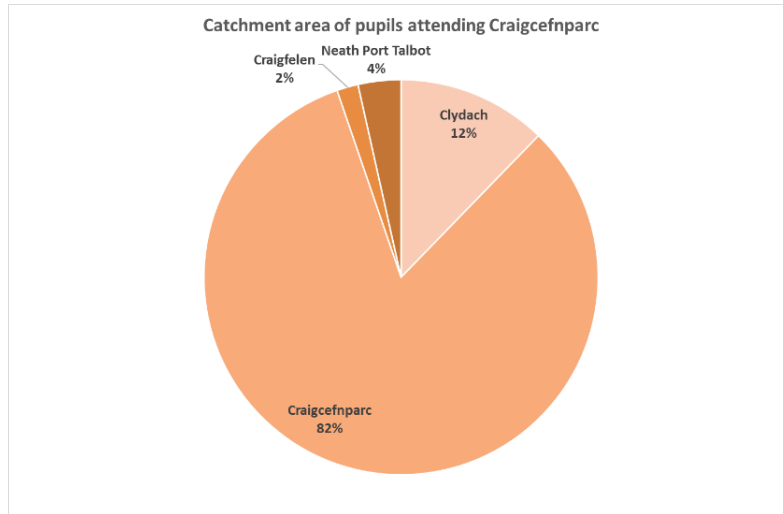
5.4 If this report is approved by Cabinet a statutory consultation will take place. This is detailed in 4.2 above.

Background papers: Welsh Government School Organisation Code (Circular 006/2013)

Appendices:

Appendix A Statistics for proposal

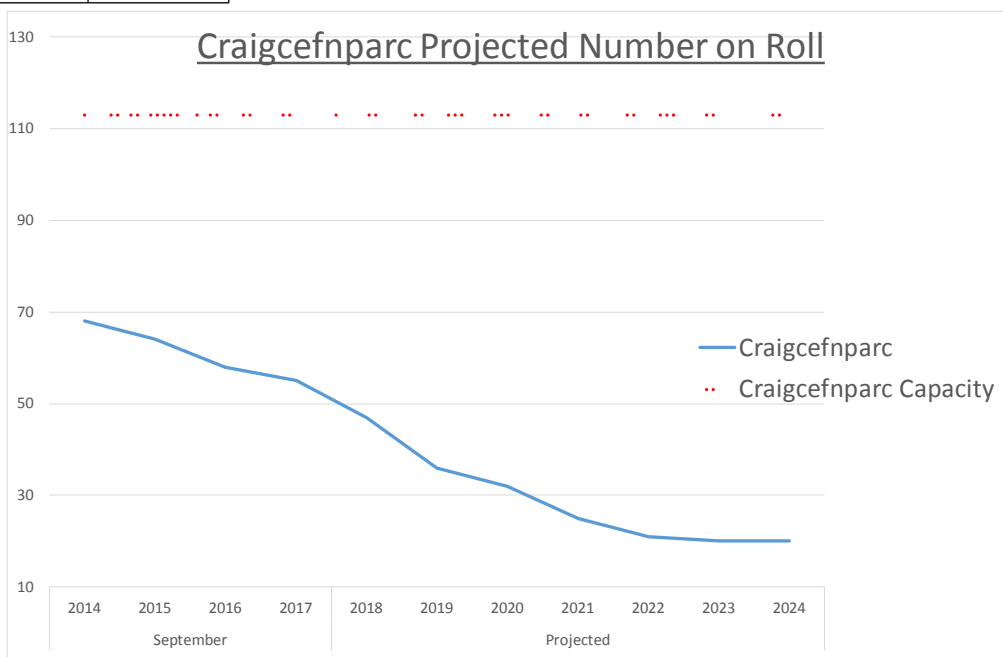
Appendix B Financial implications



Number of learners on roll (NOR):

	PLASC 16/01/18
Nursery 1	1
Nursery 2	1
Reception	3
Year 1	4
Year 2	7
Year 3	10
Year 4	8
Year 5	14
Year 6	8
Total	56
Full-time equivalent	55

The low number of entrants into the lower year groups are reflected in the projected pupil numbers in the chart below which is based on January 2018 pupil data.



Appendix B

Closure of Craigefernparc						
(Figures exclude any pupil roll change)						
Implement Proposal Sep-19						
Financial Year						
Revenue	2018/19	2019/20	2020/21	2021/22	2022/23	2022/24
Delegated School Budget Share:						
Craigefernparc Primary	£256,470	£109,056	£0	£0	£0	£0
Clydach Primary	£800,527	£889,690	£987,254	£987,254	£987,254	£987,254
Total	£1,056,997	£998,746	£987,254	£987,254	£987,254	£987,254
Transport: (1)						
Current	£0					
Estimated new costs		£32,436	£55,604	£55,604	£55,604	£55,604
Total Revenue	£1,056,997	£1,031,182	£1,042,858	£1,042,858	£1,042,858	£1,042,858
Difference from previous year		-£25,815	£11,676	£0	£0	£0
Cumulative Difference		-£25,815	-£14,139	-£14,139	-£14,139	-£14,139
Financial Year						
Capital	2018/19	2019/20	2020/21	2021/22	2018/19	2019/20
Clydach Primary	£0	£50,000	£0	£0	£0	£0
Total Capital	£0	£50,000	£0	£0	£0	£0
All at FY2018/2019 pay, prices and pupil numbers						
(1) estimated using current pupil numbers/home addresses						

Agenda Item 16.



Report of the Local Authority Governor Appointment Group

Cabinet – 21 June 2018

Local Authority Governor Appointments

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 nominations 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. Birchgrove Primary School	Cllr Alyson Pugh
2. Sketty Primary School	Cllr David Helliwell
3. Bishop Gore Comprehensive School	Cllr Cheryl Philpott

2.0 Financial Implications

2.1 There are no financial implications for the appointments; all costs will be met from existing budgets.

3.0 Legal Implications

3.1 There are no legal implications associated with this report.

4.0 Equality and Engagement implications

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

Background papers: None

Appendices: None

Agenda Item 17.



Report of the Cabinet Member for Environment and Infrastructure Management

Cabinet – 21 June 2018

Financial Procedure Rule 7 Local Transport Capital Grants 2018/19

Purpose:	<p>To confirm the bid for Local Transport Fund (LTF) and Local Transport Network Fund Grant (LTNF) and seek approval for expenditure on the proposed schemes and projects in 2018/19.</p> <p>To comply with Financial Procedure Rule No. 7 (Capital Programming and Appraisals): to commit and authorise schemes in the Capital Programme.</p>
Policy Framework:	Local Transport Plan 2015 – 2020
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	That the LTF & LTNF 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

1.0 Introduction / Background

- 1.1 A funding bid for the Local Transport Fund (LTF) and Local Transport Network Fund (LTNF) was submitted to the Welsh Government on 26th January 2018 in accordance with guidance from the Welsh Government. The guidance stated that there was a total Local Transport Fund pot of £10million and a total Local Transport Network Fund pot of £4million, and this would be allocated to schemes across Wales.
- 1.2 The City & County of Swansea submitted bids totalling £3.388million, and the Welsh Government ultimately awarded funding amounting to £1.856million for FY2018/19.
- 1.3 This report seeks approval to commit these funds to the capital programme in accordance with the Financial Procedure Rules.

2.0 Submitted Bids

- 2.1 A total of £3.388million was bid for by the City & County of Swansea and the Welsh Government has subsequently allocated £1.856million spread across five schemes for 2018/19. The bid schemes and the successful funding allocations are shown in the tables below.

Table One – Summary of LTF & LTNF Bids 2018/19

Fund	Scheme	Total Bid (£k)	Match funding (£k)	Total project cost (£k)
LTF	South West Wales Metro	788	0	788
LTF	Fabian Way Corridor	1100	0	1100
LTF	Active Travel Scheme Development	356	0	356
LTNF	Strategic Bus Corridors	1144	0	1144
	Total	3388	0	3388

Table Two – Summary of LTF & LTNF Allocations for 2018/19

Fund	Scheme	Total Allocation (£k)	Match funding (£k)	Total project cost (£k)
LTF	South West Wales Metro	700	0	700
LTF	Fabian Way Corridor	100	0	100
LTF	Active Travel Scheme Development	356	0	356
LTNF	Strategic Bus Corridors	700	0	700
	Total	1,856	0	1,856

3.0 Details of approved schemes

- 3.1 The projects approved for funding are summarised below.
- 3.2 South West Wales Metro – The Welsh Government has allocated £700k to continue the development work for the South West Wales Metro. The City & County of Swansea is acting as the lead delivery partner on a scheme, which has regional significance and is pleased to be working in close partnership with Neath Port Talbot County Borough Council, Carmarthenshire County Council & Pembrokeshire County Council. The South West Wales Metro is expected to provide a transport system that will be imperative to the delivery of the City Region’s aims, objectives and strategic projects.
- 3.3 The funding will be used to develop the next phase of the business case, deliver a wide range of strategy review and renewals, undertake a traffic modelling exercise for the South West Wales Region and develop a brand for the concept.
- 3.4 Fabian Way – A bid of £1.1million was submitted in January 2018, to seek funding for three distinct elements. The Welsh Government subsequently allocated £100k.
- 3.5 *Baldwins Bridge Marketing Package*: £30k was bid for and secured to deliver a marketing package. This will allow for the construction of a 3D flythrough and promotional materials to assist with securing funding for the project in the coming years.
- 3.6 *Fabian Way Park & Ride Extension*: £70k has been allocated as a contribution towards the expansion of the Fabian Way Park & Ride site. This will deliver approximately 280 spaces on land immediately west of the existing site for the benefit of the city centre, University campuses and special events.
- 3.7 Active Travel Scheme Development – the Welsh Government has allocated £356k for the development of active travel schemes in service of the Active Travel (Wales) Act. The terms of the funding stipulate that the funding can only be used for studies, design, land purchase and consultation. The City & County of Swansea will use these funds to develop ten schemes in 2018/19.
- 3.8 The ten schemes are summarised below:
- *Clyne Common Link*: A shared use path crossing Clyne Common, linking the communities of Mayals and Bishopston.
 - *Kingsbridge Link*: A shared use path crossing Stafford Common linking Gowerton to Kingsbridge, Gorseinon and Grovesend.
 - *Pontarddulais Link*: A shared use path linking Pontarddulais to Grovesend, Gorseinon, Kingsbridge and onwards to Gowerton and the National Cycle Network.

- *Cwm Level Link*: A shared use path adjacent to Cwm Level Road, linking existing provisions at Brynhyfryd to the Liberty Stadium and the National Cycle Network.
- *Morryston Riverside Links*: A number of links on the western side of the River Tawe, linking the residents of Morryston to the National Cycle Network.
- *Swansea Vale Link Road*: A shared use path adjacent to the Swansea Vale Spine Road; providing an important east-west link for cyclists.
- *Trallwn Link*: A shared use path linking Frederick Place, Llansamlet, to Trallwn.
- *Llansamlet Link*: A shared use path providing an off-road link from Llansamlet Railway Station to the eastern end of Frederick Place.
- *North Gower Trail*: A shared use path linking Gowerton to Penclawdd.
- *Walter Road*: An on-road cycle route to link Uplands to the City Centre and the established shared use network.

3.9 Strategic Bus Corridors – This project will continue the work begun in 2017/18 to improve bus corridors and general traffic management on some of the busiest routes around Swansea. These investments will improve journey time and journey time reliability on bus corridors in Swansea.

3.10 These measures will also support the bus hubs concept, which will promote improved integration between modes. Together they will form the initial stages in the development of an integrated transport system for Swansea and South West Wales; as early deliverables of a Metro strategy for the region.

3.11 Whilst the Council bid for £1.144million for 2018/19, the Welsh Government has elected to allocate this over two financial years, £700k for 2018/19 and an indicative allocation of £444k in 2019/20.

3.12 This funding allocation for 2018/19 will be used to deliver upgrades to bus shelters and telematics equipment along the Gower Road and Llangyfelach Road Corridors.

3.13 The scheme comprises of the following principal investments:

3.14 **Bus Interchange Improvements:** These improvements will upgrade bus shelters at key locations and will also install electronic passenger information facilities at these points of interchange. These improvements are summarised in the plan included in Appendix E.

3.15 **Telematics Improvements:** The bid will also make improvements to traffic signals at junctions across Swansea. Up to ten junctions will be upgraded to provide wireless communication between adjacent traffic signals and the control centre in Civic Centre (this improvement is commonly referred to as Wireless MESH). The wireless link and

associated improvements will enable the telematics equipment to dynamically manage pressure at these junctions by responding to changing traffic demands throughout the day (this is achieved through a telematics management system called MOVA).

- 3.16 A further strand to this project is being developed in partnership with First Cymru to provide bus priority for public transport vehicles. This part of the project is commonly referred to as 'Late Bus', as the improvement will enable the traffic signals to selectively provide priority to buses through the junction when they are known to be running late using information provided by the electronic ticket machines on the buses.

4.0 Equality and Engagement Implications

- 4.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 4.2 Our Equality Impact Assessment process ensures that we have paid due regard to the above.
- 4.3 All schemes will be designed in accordance with the national design guidance and will be subjected to the Equality Impact Assessment process in order to be compliant with the Equality Act 2010.

5.0 Financial Implications

- 5.1 South West Wales Metro (see Appendix A):
The scheme is comprised of a number of distinct bodies of work. £700k have been allocated for the elements described in the report above.
- 5.2 Fabian Way (see Appendix B):
The scheme is comprised of two principal elements.
- Baldwins Bridge Marketing (£30k) – marketing materials to support the further development for the Baldwins Bridge scheme to aid in securing the funding required for its delivery.
 - Fabian Way Park & Ride Extension (£70k) – funding for the creation of up to 280 additional car parking spaces adjacent to the existing Fabian Way Park & Ride site.
- 5.3 Active Travel Scheme Development (See Appendix C):
The scheme will provide development for up to ten schemes as outlined in the section above. £356k has been allocated for this work, and the Welsh Government has stipulated that the funds can be used for studies, design, land purchase and consultation only.

5.4 Strategic Bus Corridors (see Appendix D):
£700k has been allocated to develop the work described in the report above and summarised in Appendix E.

5.5 Claims are to be made to the Welsh Government on a quarterly basis. The grant must be claimed in full by 31 March 2019 otherwise it will be lost.

5.6 Any revenue costs arising from capital schemes will be met by existing revenue budgets.

6.0 Staffing / IT Implications

There are none.

7.0 Legal / Procurement Implications

7.1 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.

7.2 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 – South West Wales Financial Summary

Appendix B – Fabian Way Financial Summary

Appendix C – Active Travel Scheme Development Financial Summary

Appendix D – Strategic Bus Corridors Financial Summary

Appendix E – Strategic Bus Corridors Summary

APPENDIX A – SOUTH WEST WALES METRO FINANCIAL SUMMARY

Portfolio: PLACE

Service : HIGHWAYS

Scheme : LTF – SOUTH WEST WALES METRO

<u>1. CAPITAL COSTS</u>	2018/19 £'000				TOTAL £'000
<u>Expenditure</u>					
Business Case & Resource	180				180
Strategy Review & Renewal	310				310
Transport Modelling	180				180
Branding	30				30
EXPENDITURE	700				700
<u>Financing</u>					
LTF grant	700				700
FINANCING	700				700

<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 B – FABIAN WAY FINANCIAL SUMMARY

Portfolio: PLACE
Service : HIGHWAYS
Scheme : LTF – FABIAN WAY

<u>1. CAPITAL COSTS</u>	2018/19 £'000				TOTAL £'000
<u>Expenditure</u>					
Marketing	30				30
Park & Ride Expansion	70				70
EXPENDITURE	100				100
<u>Financing</u>					
LTF grant	100				100
FINANCING	100				100

<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 C – ACTIVE TRAVEL SCHEME DEVELOPMENT FINANCIAL SUMMARY

Portfolio: PLACE
Service : HIGHWAYS
Scheme : LTF – ACTIVE TRAVEL SCHEME DEVELOPMENT

<u>1. CAPITAL COSTS</u>	2018/19 £'000				TOTAL £'000
<u>Expenditure</u>					
Fees	356				356
EXPENDITURE					
<u>Financing</u>					
LTF grant	356				356
FINANCING	356				356

<u>2. REVENUE COSTS</u>	2018/19 £'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 D – STRATEGIC BUS CORRIDORS FINANCIAL SUMMARY

Portfolio: PLACE

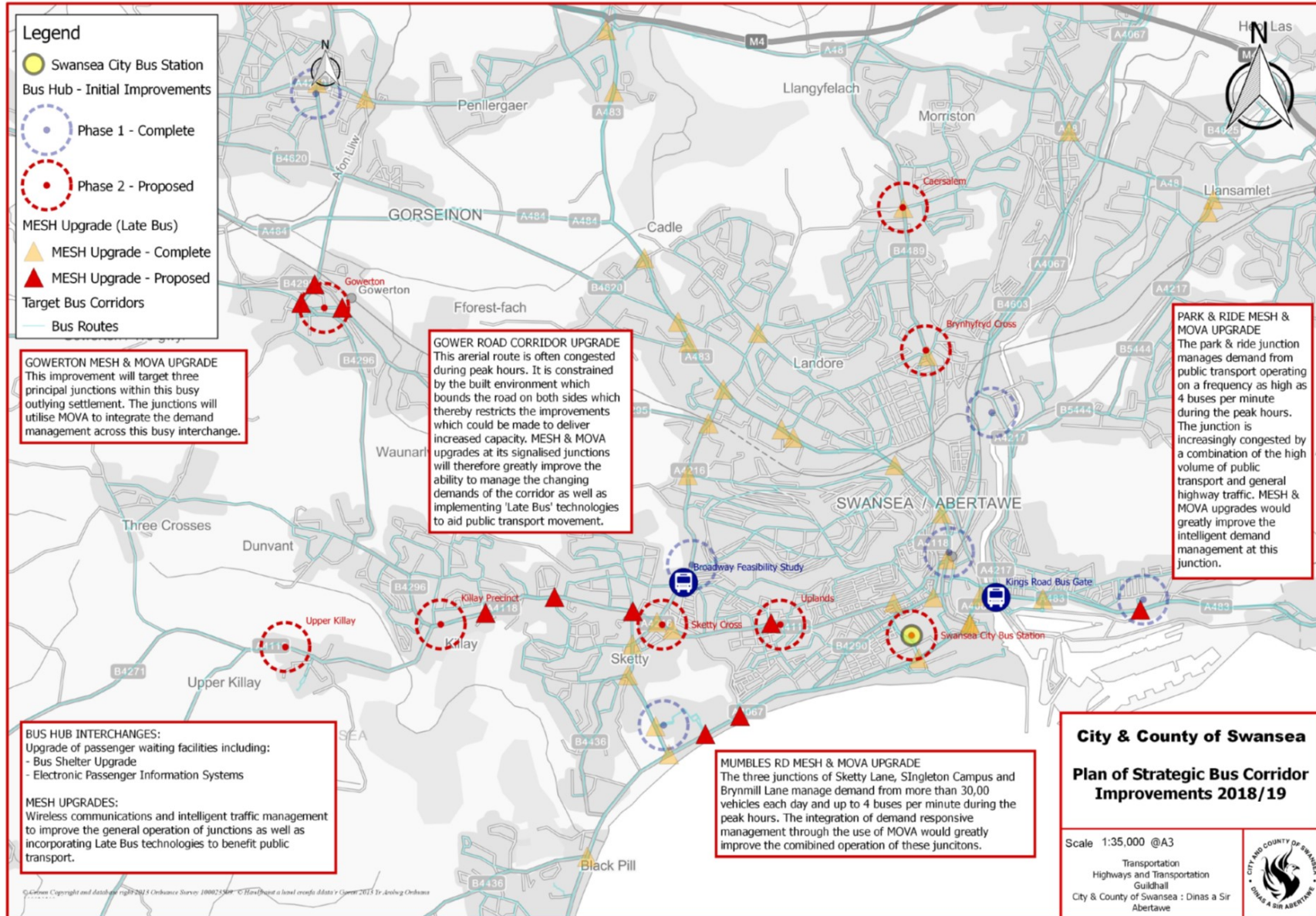
Service : HIGHWAYS

Scheme : LTNF – STRATEGIC BUS CORRIDORS

<u>1. CAPITAL COSTS</u>	2018/19 £'000				TOTAL £'000
<u>Expenditure</u>					
Works	630				630
Fees	70				70
EXPENDITURE	700				700
<u>Financing</u>					
LTF grant	700				700
FINANCING	700				700

<u>2. REVENUE COSTS</u>	2018/19 £'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 E – STRATEGIC BUS CORRIDORS SCHEME SUMMARY



Agenda Item 18.



Report of the Cabinet Member for Environment & Infrastructure Management

Cabinet – 21 June 2018

Fixed Penalty Notices for Fly-tipping

Purpose:	Fixed Penalty Notices (FPNs) provide an opportunity for first time non-habitual offenders to avoid court and a possible criminal record. They offer a more efficient and proportionate response to tackling small-scale fly-tipping incidents which will also help ease the burden on the court system.
Policy Framework:	The Environmental Protection Act 1990 Section 33 as amended by The Unauthorised Deposit of Waste (Fixed Penalties) (Wales) Regulations 2017 http://www.legislation.gov.uk/wsi/2017/1024/regulation/2/made
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: - 1) The fixed penalty fee be set at £400 with an early payment amount of £250 if paid within 10 working days. 2) This will be reviewed in one year by the Cabinet Member / Lead Officer.
Report Author:	Chris Howell
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Catherine Window

1. Introduction

- 1.1 The Unauthorised Deposit of Waste (Fixed Penalties) (Wales) Regulations 2017 is an amendment to Part II of the Environmental Protection Act 1990 (EPA 1990) section 33. It amends and improves previous legislation available to Local Authorities in Wales.

1.2 The Act amends legislation to provide an opportunity for first time non-habitual offenders to avoid court and a possible criminal record by way of (FPN). FPNs offer a more efficient and proportionate response to tackling small-scale fly-tipping incidents which will also help ease the burden on the court system

2. Fixed Penalty Notice Procedures

2.1 The act increases the number of offences that can be dealt with by the issue of (FPNs). For some of these, the Council has direction to set its own level of fines within a prescribed range. Where no such decision is made the Government has set default levels. The remaining fixed penalty notices have been fixed at prescribed levels and no variation is allowed. In addition, with most FPNs, there is a power to set a lower level if it's paid early. The council has already adopted £75 penalties for littering with a £50 early payment level.

2.2 Using FPNs is an optional course for councils to punish those who admit the offence and free up court and council time. Failure to pay the penalty will result in prosecutions for the original offence.

2.3 Table A below outlines the offence, the fixed or default level of fine, the discretionary range and the minimum amount for early payment of those FPNs which can be applied.

Table A

Sections & Legislations	Offence	Amount	Discretionary Range	Suggested Amount for Early Payment
The Unauthorised Deposit of Waste (Fixed Penalties) (Wales) Regulations 2017	Fixed Penalty notices for contravention of section 33(1)(a):Wales EPA 1990 33ZB	£400	£120-£400	£250 within 10 working days

2.4 The Act also generally requires the use of fixed penalties to be used for specific purposes as the Council is able to retain the amounts paid to it. Those purposes are laid down specifically but, in the main, require reinvestment of the FPNs back into the service that generated the FPN.

2.5 Local Authorities (LA's) can set the amount of the fly-tipping FPN between £120-£400 with a default of £200 if no amount is specified. An option for early payment of an amount no less than £120 can be made available and Local Authorities can retain the receipts to help contribute to the costs of dealing with fly-tipping. The FPNs can be used on both publicly and privately owned land.

2.5 It must be emphasised that this is not an income generating exercise. These procedures give the Council further regulatory options to prosecution and it is expected that income from all FPNs will still remain relatively low.

3. Levels of Fixed Penalty Notices

3.1 There are a variety of options available in respect of the level of such penalties.

- a. Set the default level this means no discount for early payment and may lead to higher levels of non-payment.
- b. Set a low level of fee with no early discount; this prevents a lesser deterrent and could result in high levels of non-payment.
- c. Set high levels of fee with maximum discount; this maintains a high deterrent value with maximum incentive to pay early with less administrative work subsequently in prosecution for the offence on for non-payment.
- d. Set high levels of fee with medium discount; this maintains a good deterrent value with incentive to pay early with the same advantages as above.

Recommendations

3.2 It is **recommended** that option d is adopted as a principle and that this be reviewed after one year.

3.3 It is also **recommended** that the amounts of the Fixed Penalty Notices are as set out in Table B below.

Table B

Offence	Proposed Amount of fee	Recommended Amount for Early Payment (within 10 days)
The Unauthorised Deposit of Waste (Fixed Penalties) (Wales) Regulations 2017 Fixed Penalty notices for contravention of section 33(1)(a):Wales EPA 1990 33ZB	£400 Fixed	£250

4. Equality and Engagement Implications

4.1 In order to comply with the relevant equality regulations, an EIA screening was carried out and it was noted that the opportunity to issue fixed penalty

notices (FPNs) was an amendment to current legislation in place and there are no equality implications.

4.2 An EIA Screening Form has been completed with the agreed outcome that a full EIA report was not required:

- Screening Form as a background paper.

5. Financial Implications

5.1 The income generated will be additional to existing budgets and there will be no additional costs. However, that extra income is expected to be minimal. Any such income will be used solely and incidentally to offset the costs of other early intervention, awareness raising, advertising, and enforcement action in respect of fly tipping

6. Legal Implications

6.1 The Environmental Offences (Fixed Penalties) (Miscellaneous Provisions) (Wales) Regulations 2008 prescribed the ranges that certain fixed penalties are required to fall. The proposed amounts in the report fall within the ranges specified in the Regulations.

Background Papers: EIA.

Appendices: None.

Agenda Item 19.



Report of the Cabinet Member for Better Communities

Cabinet – 21 June 2018

Swansea Third Sector Compact Agreement

Purpose:	To agree the updated Swansea Third Sector Compact Agreement.
Policy Framework:	Medium Term Financial Plan; Sustainable Swansea – fit for the future.
Consultation:	Finance, Legal, Access to Services.
Recommendation(s):	It is recommended that: 1) Cabinet approve the updated Third Sector Compact in anticipation of its formal adoption by partners on 27 th June 2018.
Report Author:	Spencer Martin
Finance Officer:	Chris Davies
Legal Officer:	Stephanie Williams
Access to Services Officer:	Sherill Hopkins

1. Introduction

1.1 Background, Swansea Third Sector Compact

Swansea Council has a long and productive history of partnership working with the Third Sector in the City. A Compact agreement was signed between the parties in 1999 and has formed the basis of the working relationship between the parties ever since.

- 1.2 The Compact has been periodically reviewed but was in need of complete review to reflect changes in policy and practice affecting all partners. This document has been drafted in consideration of the Compact as a Third Sector Strategy to reflect joint working principles and to encompass a Compact and a Third Sector Strategy between Swansea Council, Swansea Council for Voluntary Services and the wider Third

Sector to provide a robust and workable framework for ongoing dialogue between the Partners.

2. Updated Third Sector Compact Agreement

The draft Third Compact Agreement with the third sector is attached as Appendix 1.

The Agreement has been drafted in partnership with the Third sector at a number of events held through 2017 and 2018 to co-produce the final version and uphold partnership ethos contained in the agreement.

Events included:

SCVS AGM 28th June 2017 – Liberty Stadium

Focus Group, 27th September 2017 - SCVS Offices

Draft Compact Review Working Group 21st November 2017 - Scout and Guide HQ.

It is proposed the Compact be formally agreed by all parties at the Annual General meeting of Swansea Council for Voluntary Services on 27th June 2018.

3. Recommendations

- 3.1 The updated draft Compact Agreement be adopted by Swansea Council.

4. Equality & Engagement Implications

- 4.1 The draft Compact is an updated document which forms the basis of our work across all groups, including those covering protected Characteristics.

5. Financial Implications

- 5.1 The Agreement makes no funding commitment.

6. Legal Implications

- 6.1 The draft Compact sets a framework for the partnership between the voluntary sector and the local authority. The agreement builds on the existing agreement and make no additional commitments by the Authority.

Background Papers:

- Compact with the Voluntary Sector 1999, Available in Agile Working Area Civic Centre.
- EIA Screening Form.

Appendices: Appendix A Third Sector Compact Agreement.

THIRD SECTOR COMPACT AGREEMENT 2018



Background

Swansea Council has a long and productive history of partnership working with the Third Sector in Swansea.

A Compact agreement was made between the parties in 1999. This document has been co-produced in consideration of the Compact as the basis for a Third Sector Strategy to reflect joint working principles between Swansea Council, Swansea Council for Voluntary Services and the wider Third Sector to provide a robust and workable framework for ongoing dialogue between the partners.

Definition

The Third Sector is a term used to describe the range of organisations, groups, associations and enterprises, which fall outside the public and private sectors. These groups include:

- Local and national independent, non-governmental bodies;
- Local and national registered Charities
- Groups established voluntarily by people who choose to organise themselves for benevolent, not for profit purposes;
- Community Businesses - value-driven and motivated by social, cultural or environmental objectives, rather than profit, committed to reinvesting their surpluses to further their social aim

Strategic Context

The Well-Being of Future Generations (Wales) Act places new requirements on Welsh Government along with 43 other public bodies across Wales to think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined up approach (*Shared Purpose, Shared Future*).

We will collectively ensure a clear contribution is demonstrated to the seven well-being goals and that the five ways of working principles are applied

Swansea's Corporate Plan 2017/22

As required by the Well-being of Future Generations (Wales) Act 2015, Swansea Council published its well-being statement before 31st March 2017.

The well-being statement sets out our key priorities. These priorities, known as our 'well-being objectives', are our objectives for improving the environmental, cultural, economic and social well-being of Swansea and Wales.

In order to meet these challenges, we have prioritised five well-being objectives. These are:

- ***Safeguarding people from harm*** – so that our citizens are free from harm and exploitation.
- ***Improving Education & Skills*** – so that every child and young person in Swansea gains the skills and qualifications they need to succeed in life.
- ***Transforming our Economy & Infrastructure*** – so that Swansea has a thriving mixed use City Centre and a local economy that will support the prosperity of our citizens.
- ***Tackling Poverty*** – so that every person in Swansea can achieve his or her potential.
- ***Transformation & Future Council development*** – so that we and the services that we provide are sustainable and fit for the future.

We will work collectively to ensure a clear contribution to Swansea Council's Corporate Plan and Well-being Objectives and be explicit in the outcomes we are seeking to achieve for citizens

Third Sector Strategic Vision

Along with public sector bodies, the Third Sector is facing increasing challenges many of which hinge on reduced funding and ever-increasing demands on the sector very much linked to the new ways of working within the public service agenda.

Although there are challenges the Sector within Swansea remains vibrant and necessary-delivering quality support and services to community members.

Income, assets and resources

The Sector generates income for Swansea, with Third Sector organisations funding their own operations raising funds from sources as diverse as via philanthropy, trading, and managing their own physical assets.

Where local groups deliver services employing local people, money stays within the Swansea economy.

Volunteering

The Sector has always been reliant on the time given free for no financial reward. The governance and operational elements of third sector groups continue to depend on volunteers.

In a changing landscape, volunteering is an important step for many citizens as a step towards paid work- either as a returner or for those seeking to enter the workplace for the first time.

Demographic changes are having impact on the volunteer base and bring both challenges as well as adding value to the work of groups.

Organisations using volunteers' face the challenge of meeting the increasingly high support needs of those for whom volunteering is a way of moving closer to employment.

When considering utilising volunteers in new models of service delivery it must be recognised that volunteer led delivery is not a no cost option.

Democracy

The Third Sector has a long history of supporting the engagement of local people in local issues and solutions, Third Sector groups are grounded in the '5 Ways of Working'.

Involving the Sector at an early stage in policy development and service design, adopting a co productive approach leads to better outcomes for citizens where community based groups are well placed to provide insight into the unique challenges faced by community members they meet.

Information and communication

In a changing world, it is vitally important that there is clear understanding across the local authority (and other public sector agencies) about what the Third Sector does, its contribution and the benefits of working in partnership.

Clear, accurate and early information about Council led strategy enables the Third Sector to plan and to contribute meaningfully as a supportive partner.

Swansea Council and the Third Sector share a fundamental aim to serve and represent the citizens of Swansea, through working together to create an environment, which encourages healthy communities, community participation, self-reliance, local innovation, stronger local government and a viable, sustainable and flexible Third Sector.

Future Direction and Aspirations

As local government budgets reduce, new ways of working will have to be found to maintain and improve services to residents with less or no direct financial support from Swansea Council.

The Council recognises the innovative nature of the Third Sector and aims to support innovation through the continuation of small funding pots to drive new ideas.

We will work together to secure funding from independent sources and ensure information is shared on any new sources of funding, and promote local groups whenever possible over national or international organisations or businesses.

We will work together to encourage shared services and premises to reduce core organisational costs.

The Council recognises that the Third Sector is growing to fill gaps left in services, to facilitate this growth we will work together to encourage the development of social enterprises, co-operatives, apprenticeships and other wider Third Sector models of delivery.

Objectives

Our objectives have been drawn up in recognition of the benefits that an effective compact can bring.

To achieve our vision and future aspirations and directions the aims of objectives of this agreement will be to work together to:

- Provide a framework for developing shared working and partnership agreements;
- Provide a forum for discussing and developing complementary strategic policies, which deliver best value services for Swansea;
- Promote mutual understanding of each sectors concerns, issues and working practices;
- Encourage and support good citizenship, healthy communities and volunteering;
- Develop consistent good practice in grants funding and procurement arrangements to the third sector, and wherever possible support local groups;
- Develop good practice in joint commissioning processes and procedures;
- Provide a co-ordinated approach to the provision of and planning of services;
- Develop partnership working in relation to the Welsh Government and/or any new regional participation arrangements which it sets up;
- Develop effective coproduction, consultation and communication mechanisms;
- Create an environment for discussing cross boundary issues;
- Identify unmet need and advice on strategic priorities;
- Exchange relevant information;
- Facilitate, promote and influence joined up solutions within the Council, Third Sector and other statutory or non-statutory agencies in Swansea;
- Work together as partners to create and environment to progress the Regional Working agenda;
- Provide governance support to ensure all Third Sector groups have robust constitutions and governing documents, up to date policies and financial arrangements
- Formally recognise and celebrate the contribution and quality services of Third Sector organisations in Swansea

Underpinning Shared Values and Principles

The following underpinning shared values and principles have been developed and agreed with all partners to ensure we build trust as we work together to meet the aims and objectives.

- **Mutual Respect:** To recognise, value and respect the contribution of each of our communities to the people and services in Swansea. To work together to foster a partnership that is based on principles of integrity, transparency, trust and mutual respect.
- **Quality Services:** All partners will work together to create and sustain a safe and healthy living environment through quality, coordinated service delivery, but also allow for innovation and new ideas;
- **Equality And Diversity:** To support the quality of life for all citizens of Swansea and promote equality of opportunity and eliminate discrimination for those who belong to the protected groups outlined in the Equality Act 2010 (and Welsh Regulations 2011) and any implications from the Welsh Language (Wales) Measure (2011);
- **Communication and engagement:** To promote and support user involvement and public consultation on the services provided in Swansea;
- **Partnership working, Joint events and activities:** Either in partnership or independently to provide services in support of the above to a cost effective and high quality standard;
- **Volunteering:** to recognise volunteering as an important contribution and commitment made by local people to their communities. Support develop and promote volunteers' meaningful contributions to service delivery, sustainability and development of projects and initiatives.
- **Development:** To recognise development and training as an essential tool to maintaining high quality service provision, and support those who require training to develop individually and collectively by utilising ways of sharing best practice.

Engagement and Involvement

To ensure the Third Sector and Swansea Council are involved and engaged with revision of the Compact agreement, a series of events and workshop have taken place to gain the sector's views

on how best we can work together to meet the future challenges. Further engagement, co-production and monitoring of the Compact agreement will take place to ensure the sector is fully aware of future plans and opportunities.

Structure

The current structure and scope of consultation, representation and partnership arrangements between the local authority and the Third Sector is already well established and working well in many areas. Many organisations and departments have built up positive partnership and working arrangements. It is not the intention that any new structure should disrupt or duplicate these in any way but to support these ways of working. The following structure aims to involve all stakeholders in determining the strategic policy and direction through:

- Annual Standing Conference; recommended a joint event in partnership with SCVS annual conference
- Annual update report – to the Swansea Council Cabinet
- Third Sector Task and Finish working group - a small group to meet, should the need arise, to discuss and report upon one off, urgent and wider policy and strategy issues.

Commissioning Model and Funding

The Council's approach to commissioning is to ensure there is an overview of all commissioning activity in order to support achievement of corporate objectives in line with the following principles:

- Outcome based for cohorts of people
- A move towards a single contract with a provider
- A move towards a single lead commissioner
- Alignment to the commissioning cycle – plan, do, review, analyse
- Co-production as part of the commissioning cycle, whenever possible.

Swansea Council will publish and update all commissioning opportunities on Sell2Wales. All other funding opportunities through the Compact Fund will be published annually and promoted to the

whole sector. The External Funding Panel will be the decision making body for funding. All systems will work within the Council's political process.

Monitoring and Evaluation

Monitoring and evaluation of the Compact Agreement between the Council and the Sector will be conducted through a Voluntary and Third Sector Liaison Group, with the main purpose of the group being to share a general overview of strategic developments and a general exchange of information.

The group would:

- Comprise of equal membership of Council and Third Sector representatives
- Meet bi-annually
- Third Sector representatives elected from a broad cross section of the Sector, Council representatives shall be drawn from across service areas with links to the Third Sector
- Ensure Third Sector Forum Groups and relevant council groups to feed in

The purpose of the group would include:

- To promote the Compact Agreement and encourage ownership and support across both sectors
- To monitor the expected outcomes outlined in the Compact Agreement and review the objectives to ensure the document remains responsive to current trends
- To act as a mechanism to facilitate dialogue between the Council and the Third Sector on matters of shared interest
- To agree a joint work programme for each year to share and manage risk
- To monitor the progress of delivering the work programme

Conflict Resolution

The Voluntary and Third Sector Liaison Group shall be the first point of reference for any conflict resolution; here issues can be discussed and agreed between the partners.

Compact Agreement Annual Review

The Purpose of the annual review will be to assess progress on the objectives outlined in the agreement and aid with future direction.

The review conference will be open to all stakeholders from statutory and voluntary sectors. All Third Sector groups will be invited to participate. No group will be excluded by reason of holding a commissioned procured contract or being in receipt of grant aid or not being funded by the partner organisations (it is proposed the annual review be held tandem with SCVS AGM).

Agenda Item 20.



Cabinet Member for Investment, Regeneration and Tourism

Cabinet – 21 June 2018

FPR 7 - Town Centre Loan Scheme

Purpose:	To comply with Financial Procedure Rule No.7 (Capital Programming and Appraisals) - to commit and authorise the inclusion of the Town Loan Scheme within the Capital Programme.
Policy Framework:	City Centre Strategic Framework.
Consultation:	Access to Services, Finance, Legal & Commercial Services
Recommendation(s):	It is recommended that: <ol style="list-style-type: none">1) Cabinet approve the proposed Town Centre Loan Fund scheme and its Financial and Legal Implications and to add the scheme to the capital programme.2) Cabinet approve the launch of the Town Centre Loan Fund and approve proceeding to offer Town Centre Loans.
Report Author:	Richard Horlock
Finance Officer:	Jayne James
Legal Officer:	Debbie Smith
Access to Services Officer:	Sherill Hopkins
Commercial Services Officer:	Chris Williams

1. Introduction

- 1.1 On the 29th January 2018 the City & County of Swansea was awarded £2,000,000 by the Welsh Government as part of the Town Centre Loan scheme. The application to Welsh Government for this fund originally included four indicative proposals allocated with £500,000 each.
- 1.2 The Repayable Funding is offered for the purpose of reducing the number of vacant, underutilised and redundant sites and premises in town centres and to support the diversification of the town centres by encouraging more sustainable uses for empty sites and premises, such as residential, leisure and for key services. The Repayable Funding can be used:
1. To acquire and unlock sites and premises with the intention of packaging and selling a proposal on the open market within an agreed timeframe;
 2. To redevelop or refurbish sites and premises within an agreed timeframe; and
 3. To provide loans to third parties for repayment within an agreed timeframe.

2. Background

- 2.1 Under the Town Centre Loans scheme the authority will be permitted to offer an open call for loans ranging between £5,000 and £1,000,000 for a term of up to 5 years. The authority has the flexibility to offer staged repayments or to agree to a one off repayment at the end of the loan term.
- 2.2 For third party loans the authority is able to charge a fee to applicants up to 15% of the loan value to be retained by the authority to contribute to administration costs & operating costs. This will be a one off fee and will cover legal and professional fees incurred by the authority in processing the loans.
- 2.3 The application process will involve two stages, including an expression of interest (EOI) stage and full application stage. A robust due diligence process will be undertaken to ensure that all relevant information on the applicant for credit risk assessment is considered, including the eligibility and viability of the proposal being assessed and presented in a report to the assessment panel. The due diligence process will ensure all requirements outlined in schedule 4 of the award letter are addressed.
- 2.4 An assessment panel will be convened as part of the newly established Regeneration Swansea Partnership which will meet at least quarterly to consider loan applications. Expressions of interest will be scored against a range of indicators.

- 2.5 The responsibility for administering the loan scheme will be held by the Economic Development and External Funding Team within the authority. The application forms and appraisal forms will be designed by the team along with the drafting of reports to the assessment panel.
- 2.6 Given the expected 5-year loan term it is expected that the loans will be recycled three times up to March 2033.

3. Financial Implications

- 3.1 The term of use to the authority of the loan fund is from 01/02/18 to 31/03/33 (15ys). The loan sum of £2m plus any interest accrued at the end of this term is repayable between 01/04/2032 to 31/03/2033 in one instalment within 3 months of receipt of written demand from the Welsh Government. Interest will accrue on any overdue repayment of repayable funding to Welsh Government at 1.5% above BOE base rate daily.
- 3.2 Revenue costs associated with administering the scheme including officer time, legal and professional fees will be financed by a fee of up to 15% of the total loan value charged to loan recipients prior to draw down of the loan. The level of fee chargeable will be determined during the application process and administration of the loan fund will be undertaken by officers within the Economic Development and External Funding Team.
- 3.3 Should any of the £2,000,000 loan fund remain uncommitted by September 2019 then the balance unallocated must be returned to the Welsh Government.
- 3.4 Any interest accrued to the authority from administering the loan fund is to be identified & added to the loan fund for the loan purposes outlined in the Welsh Government offer letter.

4. Legal Implications

- 4.1 The Council will need to comply with the terms and conditions attached to the Welsh Government Loan funding award and ensure that loan recipients also comply with the terms and condition of the funding award as part of a loan agreement.
- 4.2 In cases where a loan recipient defaults on their repayments the Welsh Government will cover 50% of the default sum up to a maximum of 2.5% of the allocated £2m loan. The balance of the default sum would need to be met by the authority.
- 4.3 In order to mitigate any financial loss to the authority as a result of default, a charge will be placed on property or land owned by the applicant equal to the value of the approved loan following verification of equity, prior to draw down of the loan amount.

4.4 The authority will be required to demonstrate compliance with state aid rules.

5. Equality and Engagement Implications

- 5.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

- 5.2 For the Town Centre Loans scheme the authority will undertake EIA screening on the overall process for loan applications at the time that the application process is being agreed.

Background Papers: None

Appendices:

Appendix A Financial implications

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: Place
Service : City Regeneration & Planning
Scheme : Town Centre Loans

1. CAPITAL COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
<u>Expenditure</u>					
Build Costs - match funding contribution					
Contingencies					
Fees					
Loans issued (estimated)	800	1,200			2,000
Budget Code:					
EXPENDITURE	800	1,200	0	0	2,000
<u>Financing</u>					
CCS fees funding approved					
CCS fees funding requested					
CCS capital contribution					
WG grant					
WG loan	2,000	0			2,000
WEFO grant					
Other					
FINANCING	2,000	0	0	0	2,000

2. REVENUE COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees					0
Maintenance					0
Equipment					0
Administration					0
Contingency					0
Professional fees					0
NET EXPENDITURE	0	0	0	0	0

Agenda Item 21.



Cabinet Member for Investment, Regeneration and Tourism

Cabinet - 21 June 2018

Swansea Regeneration Projects Update and FPR7

- Purpose:** To set out urgent decisions required and the current budget requirements in accordance with Financial Procedures Rules.
- Policy Framework:** Swansea Local Development Plan: Deposit Plan, Swansea Unitary Development Plan (2008), Swansea Central Area Regeneration Framework (2016)(SCARF), Corporate Priority Creating a Vibrant and Viable City and Economy
- Consultation:** Finance, Legal, Commercial Services, Access to Services.
- Recommendation(s):** Cabinet are therefore recommended to:-
- 1) Approve the capital budget requirements to take forward the following projects.

Project	Capital required
Swansea Central Phase 1	£5,385,393
Swansea Central Phase 2	£850,000
Skyline (initial phase)	£90,000
Penderyn	£1,500,000
Castle Gardens	£50,000
Kingsway	£2,408,000
TOTAL	£10,283,393

Report Author: Huw Mowbray
Finance Officer: Ben Smith
Legal Officer: Debbie Smith
Access to Services Officer: Sherill Hopkins
Procurement/Commercial Services Officer: Chris Williams

1. Introduction

- 1.1 This report builds on previous cabinet reports of 15th June 2017 and 16th March 2017 and 18th August 2016 and 17th March 2016.
- 1.2 One of the Council's Corporate Priorities is to create a vibrant and viable City & Economy.
- 1.3 Despite this ambition and improvements across the city, Swansea and especially the city centre has been in decline. However, Swansea has a major opportunity with an identified £158m trading gap of spend that is leaking out of Swansea that could claw back spend lost to other areas through successful regeneration.
- 1.4 Due to economic and viability issues the private sector will not invest in major regeneration projects in Swansea at this time. Doing nothing is not an option as Swansea's decline would inevitably continue.

2. Swansea Regeneration Programme Update

- 2.1 The Council has adopted regeneration strategies for the City Centre, Tawe Riverside Corridor Strategy and Swansea Bay Strategy. The implementation of many parts of these strategies is now at an advanced stage.
- 2.2 The Swansea Bay City Region has signed a City Deal with both Welsh and UK governments. The proposals put forward by Swansea aim to facilitate the growth of higher value activities particularly in Tech businesses through office development with a digital theme and an indoor Arena for music, comedy and conferencing, all to increase footfall and encourage more living and working in the city centre in line with the recommendations of SCARF. This builds on the city's two universities and growing technology capability within the City. The CCS project objectives are: -
 - a. To create 100,000 sq. ft. of tech-offices at Kingsway – Digital Village.
 - b. A digital arena, hotel and public realm at Swansea Central - Digital Square.
- 2.3 This deal is in the process of being finalised with both UK and Welsh Governments and the 5 case business model to support the Swansea projects has been submitted. The Council will need separately to consider future match funding to progress the schemes once the business case is approved by the Governments and costs are finalised through construction tendering.
- 2.4 Digital smart city technologies are key in looking towards the future. There is a cross cutting City Deal Digital project and officers are working with the City Deal Digital project team to ensure Swansea benefits from the Digital project.
- 2.5 On the basis of the policy position, the City Deal and the commitment of the Council, a significant regeneration programme has been created and is now in delivery.

- 2.6 It should be noted that whilst the Council has the ability to borrow money, there are a number of competing priorities including the 21st Century Schools programme. If the Council is to borrow for projects then there must be prioritisation of capital spend, and sufficient headroom created in terms of revenue savings to pay for increased capital financing costs and all risks must be managed in line with the Council's fiduciary duty to always set a balanced budget.
- 2.7 To deliver these projects the council must continue in its role of developer for projects like Swansea Central and the Kingsway or enabler for Skyline and Mariner. In order to ensure projects are given the best possible chance of being delivered then resources must be focused on the priorities.
- 2.8 As the Council has already endorsed the agreement to the City Deal then work to develop the priority areas and aligned City Centre development should continue to maintain progress.
- 2.9 The delivery of the following programme of projects will create significant economic benefit to the city and the stimulus for other projects to come forward including Swansea Central phase 2 to be delivered as well as private sector investments across the city.

3. Project Updates, Way Forward and Decisions Required

3.1 Swansea Central Phase 1

Project Update

This project forms part of the City Deal (Digital Square). An outline planning consent has been secured, designs have been progressed to RIBA stage 2, construction tendering commenced 11th December 2017, the PQQ stage generated 9 expressions of interest and 5 parties were shortlisted for ITT and subsequently 3 bids have been received which are being analysed. A contractor will be appointed by July 2018. ATG (Ambassador Theatre Group) formally signed an agreement to become the operator of the Arena in January 2018. The residential and hotel have both been marketed and detailed submissions are awaited. A start on site is programmed for August with a break to allow trading for Christmas and then continuing after Christmas. Discussions are ongoing on the City Deal Digital Project to provide a publically owned fibre network to serve the Digital Square project and future proof the city for 5G technologies.

The preferred scheme consists of:

- 3500 / 750 Arena c/w 'digital' exterior
- 'Digital' Square and wider public realm
- 354* space 'decked' car park on South Site
- Coastal Parkland
- 640 space Multi-storey car park
- 8500 sqft commercial / A3

- 24 residential units
- Pedestrian bridge – with cover
- Highways and Utilities works
- Hotel – prepared site
- Demolitions and the creation of areas for temporary uses surrounding the landing of the bridge, St David’s church and the link north towards The Quadrant.

Benefits of the project.

The project will create significant economic benefits for the city £11.8m pa during its operation and the creation of 500 jobs. In addition the arena will stimulate demand for Swansea Central phase 2 and other projects. It will add to the already strong Cultural assets of the city, a new arena and new park will be created and the scheme provides jobs and growth for future generations.

Key Next steps

- Complete RIBA Stage 3 and 4 designs to enable submission of detailed planning (reserved matters). Work up arena detail with Arena operator.
- Select partner to acquire the residential elements and select a developer and operator of the hotel.
- A further cabinet report will be prepared once the tendering process produces a fixed cost and the city deal funding is authorized.

Risks

- Council capital budget commitment will be required to proceed.
- Current cost estimate subject to the tendering process which will provide a fixed price.
- ATG responding to design evolution in a timely manner to meet programme.
- Right to Light claims could impact programme.
- A revenue budget, not yet established or funded, for ongoing maintenance, management and events.

Financial implications and budget

The council has expended the initial costs of £500,000 followed by the costs of securing planning of £2,158,000.

In addition fees for RIBA Stage 2 and 3 are currently funded and will be completed by the end of August. The RIBA Stage 4 and the construction phase are not currently funded. The following table sets out the indicative capital requirements and fees required to deliver the Swansea Central Phase 1 scheme.

The capital costs are subject to the contractor procurement process and have been detailed further in **appendix A1**. The Stage 2 and 3 costs are funded.

	Total to End Stage 2	Stage 3	Stage 4	Build	Total
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Total: £3,686,935 £3,575,168 £5,535,393 £111,912,075 **£124,709,571**

A budget of £9,233,000 (£500,000+£2,158,000+£6,575,000) has previously been approved by cabinet. In order to undertake RIBA Stage 4 designs an additional budget is required of £3,885,393. Fees during construction and the capital costs will be subject to a further report in the autumn of 2018. The approved budget to date is summarised in **appendix B**.

It should also be noted that a further report will be brought once the final capital requirement is known at the end of the contractor procurement process in Q4 2018 to seek to authorise the capital budget and fees required during construction, subject to overall affordability and delivery of the required revenue savings to assist funding the substantial capital financing costs.

The table in the appendices is currently indicative and will be firmed up as design and construction tendering progresses.

Start on Site: An early start on site is planned with an enabling package of works starting in August 2018 and running through to end October 2018. The scope of these works needs to be fully confirmed but is currently envisaged to include:

- Highways work on Wellington Street
- Removal of soil embankment and trees to revetment wall and front of site
- Relocation of Llys Dewi Sant – Residential.

Works will then pause for the Christmas period and recommence at the beginning of February 2019.

The initial works contract will need to be procured through a framework as the main contract will not be let. A budget of £1,500,000 is required in order to progress the works which forms part of the funding request in this report. This is part of the overall cost figure.

3.2 Swansea Central Phase 2

Project Update

Swansea Central Phase 1 will act as a catalyst for this project and to make the most of the phase 2 opportunity the Council needs to move this project forward quickly to take advantage of the benefits generated by phase 1.

Phase 2 needs to offer an experience which the user or customer cannot get online or in the nearby retail parks, embracing the current and future retail and leisure trends including both local and national occupiers ensuring that the City is futureproofed as a destination that will continue to draw in residents, consumers, businesses and students. A vibrant, mixed-use development that

pulls together and improves the existing elements of the city centre is key to a successful and sustainable way forward.

Officers are working with Cushman and Wakefield & Rivington to prepare a strategy for Phase 2 that will deliver an innovative and creative solution to attract aspirational national operators to locate alongside select local businesses forming a unique sense of place that links the existing city centre to the newly created Digital Square and onwards to the sea. The council can then having identified initial demand and outline designs market the opportunity to bring in a private sector partner to support the council in delivery.

Benefits of the project.

Swansea already has a large amount of retail floor space, the gap is in the mid-market/aspirational retailers sector to trade alongside independent operators to create community and authenticity, first class public realm and a state of the art digital experience.

New trends are for uses that drive footfall in a city centre such as the Arena that anchor new developments, alongside the potential for a university building and good quality food and drink and leisure operators. The existing Swansea Market could act as a further anchor for the northern part of the scheme with opportunities for improvement to champion local retailers, enhance the customer experience and meet demand for authenticity.

Whilst Phase 2 is being progressed some “Catalytic Uses” will be delivered by Phase 1 that can be incorporated into the new scheme to provide affordable opportunities for local businesses to grow, for retail collaborations, pop-ups and for stores to test ideas, evolve their brand and remain relevant to users and customers. Short, flexible lease terms are becoming the market norm and whilst they impact on viability they can help ensure an ongoing dynamic to the scheme that can be interwoven with the Councils cultural strategy and digital aspirations to create a unique sense of place that will attract a wider democratic of new visitors and residents.

Key Next steps

- Identify key goals and aspirations
- Create an unique point of difference to attract occupiers
- Create a marketing and branding strategy
- Prepare outline design of the scheme
- Engage with key local and national retailers and leisure operators to confirm viability
- Market development opportunity to private sector partners

Risks

- If the scheme does not proceed then the opportunity to create a step change in the city centre utilising new anchors including the Arena, Kingsway offices, Digital Square and a potential University building could be lost.
- Ongoing capital affordability (funding is not currently identified) and sufficient revenue headroom created by revenue savings to meet future capital financing costs.

Budget Implications.

In order to take Phase 2 forward as set out above an initial budget of £850,000 is required to take the projects to establish initial designs, viability and to be able to attract the private sector to become a partner in the scheme. A further report will be prepared at that time.

3.3 Kingsway Offices (Digital Village)

Project Update

This project is another City Deal project. The council has acquired the properties required to deliver the project and has created a site ready for development. The project will create 100,000 sq. ft. of office space designed to be flexible to allow a range of different letting scenarios for to take advantage of the fast growing tech sector in Swansea and provide accommodation for emerging industries. A consultant team has been procured to undertake detailed design, secure planning consent and deliver on site. The public realm must be of a quality to drive the councils living and working agenda in the city centre and a link between Kingsway and Oxford Street will be created. A 5 case business model has been prepared and sent to Welsh and Westminster governments for approval. The Council is also collaborating with the regional team on the Digital City Deal Project to provide a city centre fiber ring to enable the best connectivity for local businesses, future proof the city centre, and to enable 5G technologies once available.

Benefits of the project.

- Intrinsic part of delivery of the SCARF document that will catalyse further private sector interest and development of offices along the Kingsway.
- Adds to Swansea being a creative and digital City.
- Creates capacity as part of a wider strategy for retention and growth of businesses in Swansea.
- Contributes to the ethos of living and working in the city centre
- Economic benefits of £38.7m added GVA plus 200 jobs created.

Key Next steps

- Undertake detailed building and landscape designs.
- Prepare and secure a planning consent.
- Input into a CCS city wide digital strategy.

- Start on site.

Risks

- Capital budget to match fund city deal funding will be required once quantum finally identified.
- Securing occupier demand.
- Sufficient car parking and park and ride provision.
- Revenue Budget for ongoing maintenance.

Budget Requirements - The key next stage is the appointment of a professional team, a procurement process has been followed, interviews held and funding for the following is required to take forward the project:-

Lot	Bids Received
Lot 1 – Strategy Review	£25,000
Lot 2 – Digital Village professional Team	£2,200,000
Lot 4 – Parking review	£50,000
Lot 5 – Digital consultant	£99,000
Total Budget Required	£2,374,000
Budget previously approved for Kingsway (Digital village) June17 report	850,000
Budgets previously approved for City Centre contingency June17 report – transfer to Kingsway Digital village	250,000
Budgets previously approved for City Centre Deal (Quadrant) June17 report – transfer to Kingsway Digital village	350,000
Current approved budget	£1,450,000
Additional budget approval required	£924,000

3.4 Hafod Copper Works

Project Update

The Hafod site is of international importance being the world leading centre for copper smelting in the 18th century, this has the potential for World Heritage Status in the future if sensitive heritage led regeneration can be delivered. This will create a new destination to encourage further development. Swansea Council and the University established a partnership and a first stage reclamation project was undertaken with Cadw/WG funding. This created the potential to seek occupiers to start the regeneration. Initially interest was secured from Penderyn Whiskey to expand their successful business in the Powerhouse and part of the Rolling Mill for a distillery and visitor centre. This will act as a catalyst to unlock further regeneration of the site.

A HLF first round bid was successful based on refurbishment of the Powerhouse for a new build visitor centre and a barrel store in 25% of the rolling mill for occupation by Penderyn. RIBA Stage 3 designs are complete

and a Planning and Listed Building Consent application was submitted in April 2018. The HLF Round 2 submission was submitted in May 2018.

This links to the Skyline proposals requiring the use of land adjacent to the Powerhouse site for the cable car start point and car parking.

Benefits of the project.

The project will create significant economic benefits in terms of tourism and generating footfall and spend in the area. The Penderyn distillery will create 15FTE jobs during its operation and will stimulate further regeneration of the wider Hafod site and Tawe corridor, expanding leisure opportunities in this part of Swansea serving residents and visitors.

Key Next steps

- Secure detailed planning consent.
- Submit HLF Round 1 submission in May 2018.
- Cabinet approval to Heads of Terms with Penderyn.
- Subject to a positive HLF response to Stage 1 progress Stage 2 delivery.

Risks

- HLF Round 2 fails to get approval or a planning refusal
- Current cost estimate exceeded subject to the tendering process.
- Council capital core funding budget commitment will be required to proceed
- Penderyn withdraw from scheme.
- Implications of Skyline project.
- Condition of buildings could mean refurbishment is not viable.

The Council are the custodians of the listed structures at Hafod. There was a need to regenerate and preserve this important part of Swansea's heritage. Surveys undertaken indicated that urgent intervention was required to prevent further deterioration of the buildings and a HLF bid was required to help fund the project. It was recognised that to be successful a sustainable occupier was required that would fit with both the strategy and the heritage characteristics of the site.

It was considered that in terms of timing and success of the HLF bid the commitment of a commercial occupier at such an early stage would improve the Council's chances of a successful bid, which was acknowledged by HLF.

The owner of Penderyn who is progressing other developments in Swansea expressed interest in the site. Following the announcement that the Council would be pursuing a HLF bid to refurbish part of the site, Penderyn were willing to commit upfront to opening a new distillery on site and would look to invest circa £3.1m in fit out costs.

At this time Phase 1 of the project funded by Cadw / WG had been completed and no other party had shown interest in the scheme other than a local brewery, however they had no money to put into the scheme.

As time was the essence it was considered that progressing discussions with Penderyn was the only option if a successful HLF bid was to be made. It is worth noting that there has been a lot of publicity over the past years since we have started discussions with Penderyn and no other party has come forward during that time.

The proposal by Penderyn fits well with the Council masterplan/strategy and will act as a catalyst for further regeneration of the area and using copper the former core product of the site in the manufacture of their equipment will connect a new manufacturing process with the vibrant past of the site.

In order to progress the HLF grant process the Council needs to confirm the budget of £1.5m already in the capital programme for FPR7.

Financial implications and Budget

£1.5m is allocated within the Capital Programme. As a result of the Skyline proposals, the land adjacent to the powerhouse site, is no longer available to be sold to generate the required match funding to the HLF grant of £998,550. The remaining sum of £514,450 will be used to fund the necessary surveys and investigations that were not available to complete design, and to deliver the planned capital build works to a standard required for HLF outputs to be achieved and to be handed over to the end tenant in-line with the Heads of Terms between Swansea Council and Penderyn Whisky. Please see **appendix A2** for the financial implications table.

3.5 Castle Square

Project Update

A disposal of public open space notice was advertised and the responses provided a clear view that the square is tired and of dated appearance and more fundamentally the positives of the opportunities provided by the space and the importance of the Square as part of the fabric of the City Centre. In addition it was considered that the Square should remain in public control and it should include new restaurant use and public realm for enjoyment for a range of events.

Cabinet in October 2017 considered options for the siting of development opportunity on parts of the square and options for delivery mechanisms and key principles for the development and enhancing the public realm. It will also need to consider how the square links to the Kingsway, Oxford St, St Mary's Church and the Castle to contribute to the green artery policy as set out in the SCARF.

Cabinet decided that the Council would develop a commercial element and enhance the environment of Castle Square by employing a Development Manager, professional team including an architect, quantity surveyor and letting agents. Any proposals must link the square into the city and be complementary and not compete with Swansea central phase 2. The

opportunity was advertised in March 2018 and 13 responses were received and are being analysed to shortlist to 5 for the ITT stage.

Benefits of the project.

The refurbishment of the public realm, the introduction of restaurant use and integration with the Kingsway, Oxford Street, St Mary's church and Swansea Castle will help create a vibrant heart to the city centre and create linkage between Kingsway and to Oxford Street and Swansea Central phase 2.

This will enhance Castle Sq as a place to eat, drink coffee, to celebrate, demonstrate and hold events.

Key Next steps

- Appoint a Development Manager and professional team.
- Undertake initial feasibility exercise to establish design costs, tenant interest and viability.

Then bring a further report to cabinet to decide whether to allocate funding to submit a planning consent, secure tenants, construct restaurants and refurbish the public realm.

Risks

- Viability and costs of the scheme.
- Securing tenants
- Budget for ongoing maintenance

Budget Implications

In order to take Castle Square forward a development manager and a professional team is currently being procured. An initial budget is required (Stage 1) to undertake design, tenant discussions, establish viability and a business case which would then be reported to cabinet for decision on whether to proceed to Stage 2 and allocate capital for the planning and delivery stage.

Stage 1 - Initial feasibility £50k (This will be funded from regeneration capital match funding which is already available)

If after reviewing the business case cabinet decide to move to Stage 2 after a future report then additional professional fees and the capital costs for delivery will be required. These costs will be identified through the tender process and the Stage 1 works.

3.6 Skyline

Project Update

Private sector proposal for Cable car from Hafod, luge, cycle paths footpaths, zip line, café and ancillary facilities on Kilvey Hill.

Heads of Terms have been agreed, Skyline Board agreed the Heads of Terms in March 2018. Skyline require the council to provide a serviced site which

means acquiring any necessary land, providing services to the site boundary and dealing with footpath relocations and any other necessary issues.

At present no definitive development footprint has been agreed. Skyline are travelling to Swansea in June to sign Heads of Terms and appoint a professional team to progress the scheme.

Benefits of the project.

This would be Skyline's first site in Europe, this proposal will create a significant regional leisure attraction putting Swansea as a destination firmly on the tourist map. It will contribute towards a cluster of leisure uses based in the Morfa/Lower Swansea Valley with a significant interface with the Hafod Copper works site and Tawe Riverside regeneration. This will create a significant number of linked trips which will significantly benefit the wider Swansea economy.

Key Next steps

- Council agreement to Heads of Terms.
- Skyline to prepare scheme designs.
- Prepare and negotiate legal contract with Skyline.
- Engagement with Skyline's professional team.
- Negotiations with private landowners at Kilvey Hill and river.
- Identify services and cost of providing to the site.
- Explore car parking options

Risks

- Unknown Cost implications- private land acquisitions Kilvey Hill.
- Easements in relation to crossing Duke of Beaufort/Somerset Trust.
- Costs of Service connections to the edge of the site.
- Legal costs/fees/indemnities.
- Skyline require 350 spaces.

Private sector proposal for Cable car from Hafod, luge, cycle paths footpaths, zip-line, café and ancillary facilities on Kilvey Hill.

Heads of Terms have been agreed, Skyline Board agreed the Heads of Terms in March 2018. Skyline require the council to provide a serviced site which means acquiring any necessary land, providing services to the site boundary and dealing with footpath relocations and any other necessary issues.

At present no definitive development footprint has been agreed.

This would be skyline's first site in Europe, this proposal will create a significant regional leisure attraction putting Swansea as a destination firmly on the tourist map. It will contribute towards a cluster of leisure uses based in the Morfa/Lower Swansea Valley with a significant interface with the Hafod Copper works site and Tawe Riverside regeneration. This will create a significant number of linked trips which will significantly benefit the wider Swansea economy.

Skyline are proposing to visit Swansea in June subject to the Council agreeing the HoT. In order to progress the scheme the Council needs to agree the following Heads of Terms.

Financial implications and Budget - An initial budget is required to undertake Stage 1 works with Skyline to prepare a legal agreement and identify the costs required to take the scheme forward. (This will be funded from regeneration capital match funding which is already available) This is estimated to be

A further report will then be made identifying the second stage of funding required identified by the works undertaken in stage 1 for Cabinet to decide whether to proceed. Please see **appendix A3** for the financial implications table.

3.7 Civic Centre Relocation

Consideration needs to be given as to when the relocation of the existing Civic Centre accommodation will happen.

Bids were received for Consultants to take the existing design of a new Civic Centre through to planning and ultimately construction. It could be that money could be spent to take the design through to outline planning stage, which would potentially add value to the site and would enable fast track construction methodology once a decisions has been made on the existing Civic Centre site.

The preferred bidder has submitted a total fee bid of £1.9M to take a development through to construction at an estimated total build cost of £30M. To work up a design and take through the planning process the fee bid was £900,000.

It is crucial that the council works up the most appropriate timeline and reason for relocation taking into account the key drivers. These are firstly, the regeneration of the entire Civic Centre site and secondly, potential for significant backlog maintenance expenditure. At this moment in time, a continued occupation of the Civic could be achieved with limited investment. However, beyond the next five to ten years costs are likely to be required to ensure the building continues to be able to be used, Faithfull & Gould have been appointed to undertake a review of the mechanical and electrical infrastructure, the structural fabric and roof.

Furthermore, any maintenance backlog figure does not take into account any potential investment that may be required for any aesthetic treatment of the exterior of the building which would undoubtedly be required if a more permanent occupation were to be considered.

The current strategy for the Civic Centre is to enhance the commercial, public sector, collaborative occupation of surplus accommodation to generate income whilst creating partnership opportunities. This could be a short, medium or long term aspiration and, therefore, from a strategic purpose, subject to limited investment, or no requirement to redevelop the site the building could in theory be retained. However, to properly inform this strategy, a decision is required as to a definitive period of occupation as, for example, there is the possibility to locate the Wellness Centre in the Civic Centre and generate significant collaborative and wellbeing benefits as a result. However, this cannot be done on a short term or temporary basis.

There are potentially significant benefits in progressing the Civic Centre site once the Swansea Central project is on site as the value will rise. The site could then be progressed or remarketed to take advantage of value changes and a greater market interest generated in Swansea, however, if it is known that that this will not be a possibility for circa 10 years then a decision should be taken to invest in the existing Civic Centre to maintain Council service provision

Further reports will be brought to cabinet as this strand continues to develop

4. Overall Programme Risks

This programme of work will have a fundamental impact in creating a major step change for Swansea as a city however it does not come without risks.

- Whilst there is always a risk in delivering projects to maximize the potential deliverability of all the schemes all risks and progress on projects are being monitored through a project management process with regular reports to Regeneration Programme Board and Member Steering Group.
- All capital costs are created by Quantity Surveyors based on scheme designs, there will be no cost certainty until the construction tender process is complete and cabinet reports will be brought at that time for a formal decision on whether to proceed. Current projected capital costs are already at the upper limit of affordability even if all planned revenue savings are made in full.
- The current economic conditions and BREXIT are causing volatility in financial and occupier markets. Tenants for projects will be secured before the council can make decisions to commit to funding projects. For example ATG are signed for the arena project and a 50% of lettings will need to be completed on Digital Village prior to commitment.
- Projects like Skyline and Mariner Street are led by the private sector and whilst the council plays a significant role, delivery including funding is out of the council's control.

- There is a risk in undertaking an enabling works contract on Swansea Central Phase 1 which will be completed prior to the main contract being let.

5. Legal Implications

On all of the projects listed within this report, the Council is ensuring that it complies with its Contract Procedure Rules and European procurement legislation as appropriate.

Where schemes are in receipt of grant funding the Council needs to ensure that it complies with the terms and conditions of any grant offer which are binding upon the Council.

Detailed legal advice has been provided in relation to the various land transactions referred to within this report which are the subject of more detailed reports, elements of which are likely to be subject to legal professional privilege.

There is a need to ensure that the Council's interests are protected through the use of appropriate contract documentation, forms of security etc whether those transactions are led by the in house legal team or by external legal advisers.

6. Financial Implications

Any capital spending within the envisaged affordability envelope in the medium term is predicated on creating the necessary headroom to increase overall capital financing costs by 50% and making all current and planned future revenue savings to achieve that headroom. Deviation from that plan will limit the ability to finance the future capital ambition. There is already current adverse deviation from the revenue planning assumptions in the current year. Thus all spend is at risk of not fully being able to be assured on the affordability of the overall capital programme and if so curtailed at any point would result in aborted capital spend having to be written back to revenue.

Some of the sums are beginning to be quite large and thus financial risk increases at each stage of approval. In extremis if for any reason schemes could not progress and all spend to date plus now sought was deemed ultimately abortive capital costs to be written off to revenue, it would exceed the totality of General Fund Reserves and clearly breach the Council's fiduciary duty.

The current planning assumption is that in agreeing these step phases all necessary action will be taken at officer and member and Cabinet level to assure and ensure no material deviation from revenue savings plans in the current and all future years to enable capital to proceed in stepwise fashion as requested.

7. Equality and Engagement Implications.

Equalities Impact Assessment Screening for Swansea Central Phase 1 and Hafod have been undertaken indicating that full assessments are required. The initial full assessment for Swansea Central Phase 1 has been carried out. The skyline proposal will be subject to screening when scheme details are sufficiently developed. The Hafod/Penderyn full assessment is under development.

Ongoing monitoring will be undertaken to ensure that the needs of groups identified in the EIA are fully considered throughout the project and particularly on completion of detailed design and prior to implementation and on completion.

Prior to construction on any projects, the communication plan developed for each will present actions to engage and inform stakeholders through the process, utilizing project website, target e-mails, letters, press release and social media.

The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

Since March 2016 the Council has been subject to Welsh Language Standards set out in a Compliance Notice - Section 44 Welsh Language (Wales) Measure 2011 and treats the Welsh Language as protected characteristic within its EIA process.

Background Papers: None.

Appendices:

Appendix A1-A6 – Financial Implications

Appendix B - Swansea Central Budgets

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: PLACE
 Service : City Regeneration & Planning
 Scheme : Swansea Central phase 1 - Full scheme indicative capital cost

	Actual spend to 31st March 2018 2015/16 to 2017/18 £'000	Indicative 2018/19 £'000	Indicative 2019/20 £'000	Indicative 2020/21 £'000	Indicative 2021/22 £'000	TOTAL £'000
1. CAPITAL COSTS						
RIBA stage 2	3,687					
RIBA stage 3		3,575				
RIBA stage 4		5,535				
Build				111,912		
EXPENDITURE	3,687	9,111	0	111,912	0	124,710
Financing						
WG Loan	3,687	1,988				5,675
CCS approved City Centre Match funding budget C06325		1,256				1,256
CCS USB current (June 18) financing request June 2018 FPR7		5,385				5,385
CCS USB expected future financing profile		482	0	111,912	0	112,394
FINANCING	3,687	9,111	0	111,912	0	124,710

2. REVENUE COSTS	£'000	£'000	£'000	£'000	£'000	FULL YEAR £'000
Service Controlled - Expenditure						
Employees						
Maintenance						
Equipment						
Administration						
NET EXPENDITURE	0	0	0	0	0	0

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: Place
Service : City Regeneration & Planning
Scheme : Swansea Central Phase 2

<u>1. CAPITAL COSTS</u>	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
<u>Expenditure</u>					
Works Costs					
Contingencies					
Fees	850				850
Budget Code: TBC					
EXPENDITURE	850	0	0	0	850
<u>Financing</u>					
CCS capital contribution	850				850
WG grant					
WG loan					
WEFO grant					
Other					
FINANCING	850	0	0	0	850

<u>2. REVENUE COSTS</u>	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees					
Maintenance					
Equipment					
Administration					
NET EXPENDITURE	0	0	0	0	0

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: Place
Service : City Regeneration & Planning
Scheme : Skyline

<u>1. CAPITAL COSTS</u>	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
<u>Expenditure</u>					
Build Costs - match funding contribution					
Contingencies	10				10
Fees	80				80
Budget Code: C06325					
EXPENDITURE	90	0	0	0	90
<u>Financing</u>					
CCS capital contribution (from C06325)	90				90
WG grant					
WG loan					
WEFO grant					
Other					
FINANCING	90	0	0	0	90

<u>2. REVENUE COSTS</u>	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees					
Maintenance					
Equipment					
Administration					
Contingency					
Professional fees					
NET EXPENDITURE	0	0	0	0	0

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: Place
Service : City Regeneration & Planning
Scheme : Hafod Copperworks

1. CAPITAL COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
<u>Expenditure</u>					
Build Costs - match funding contribution	1,500				1,500
Contingencies					
Fees					
Budget Code:					
EXPENDITURE	1,500	0	0	0	1,500
<u>Financing</u>					
CCS fees funding approved					
CCS fees funding requested					
CCS capital contribution	1,500				1,500
WG grant					
WG loan					
WEFO grant					
Other					
FINANCING	1,500	0	0	0	1,500

2. REVENUE COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees					0
Maintenance					0
Equipment					0
Administration					0
Professional fees					0
NET EXPENDITURE	0	0	0	0	0

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: Place
Service : City Regeneration & Planning
Scheme : Castle Square

1. CAPITAL COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
<u>Expenditure</u>					
Build Costs					
Contingencies					
Fees	50				50
Budget Code: C06325					
EXPENDITURE	50	0	0	0	50
<u>Financing</u>					
CCS fees funding approved					
CCS fees funding requested					
CCS capital contribution (from C06325)	50				50
WG grant					
WG loan					
WEFO grant					
Other					
FINANCING	50	0	0	0	50

2. REVENUE COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees					
Maintenance					
Equipment					
Administration					
Professional fees					
NET EXPENDITURE	0	0	0	0	0

FINANCIAL IMPLICATIONS : SUMMARY

Portfolio: Place
Service : City Regeneration & Planning
Scheme : Kingsway

1. CAPITAL COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	TOTAL £'000
<u>Expenditure</u>					
Fees:					
Lot 1 Strategy review	25				25
Lot 2 Digital village professional team	1,000	1,000	233		2,233
Lot 4 Parking review	50				50
Lot 5 Digital consultant	50	50			100
Budget Code: C06369					
EXPENDITURE	1,125	1,050	233	0	2,408
<u>Financing</u>					
CCS fees funding C06369 (approved March 2017)	850				850
CCS City Centre contingency C06372 (approved budget March 2017 vired to digital village)	250				250
CCS City Centre Quadrant C06373 (approved budget February 2017 vired to digital village)	350	725	233		350
CCS capital contribution requested June 2018 FPR7					958
FINANCING	1,450	725	233	0	2,408

2. REVENUE COSTS	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	FULL YEAR £'000
<u>Service Controlled - Expenditure</u>					
Employees					0
Maintenance					0
Equipment					0
Administration					0
NET EXPENDITURE	0	0	0	0	0

Appendix B

Swansea Central Budget position

Budget Code	2015/16	2016/17	2017/18	2018/19	2019/20	Total Capital	
	£'000	£'000	£'000	£'000	£'000	£'000	
Area 1 & 2 FPR7 Dec 2015	C06368	321				321	
Area 1 & 2 FPR7 Mar 2016	C06368		179			179	
Planning stage FPR7 Aug 2016	C06368		1,750	408		2,158	
Kingsway offices FPR7 Mar 2017	C06369			850		850	
Central design - Cabinet Mar 2017	C06368			6,575		6,575	
Civic relocation - Cabinet Mar 2017	C06370			200		200	
Economic benefit analysis - Cabinet Mar 2017	C06371			50		50	
Contingency - Cabinet Mar 2017	C06372			250		250	
		321	1,929	8,333	0	0	10,583

Additional associated budgets adjustments:

Quadrant Cabinet Feb 2017	C06373			350		350
Civic Centre budget adjustment	n/a					-250
Total						10,683

Funding considerations in current June 2018 FPR7

Central phase 1	C06368			5,385		5,385
Central phase 2	C06368			850		850
Kingsway office development	C06369			2,408		2,408
Castle Square	tbc			50.00		50.00
Hafod	C06554			1,500.00		1,500.00
Skyline	tbc			90.00		90.00
				10,283.00		10,283.00

Total budget approved to date & seeking approval June 2018 cabinet

20,966.00

Agenda Item 24.



Report of the Cabinet Member for Investment, Regeneration and Tourism

Cabinet - 21 June 2018

Commissioning Review: Cultural Services

Purpose:	To update Cabinet on the progress of the procurement exercise undertaken for Leisure and Cultural facilities, following the Service Commissioning Review 2015, and present comparative options for future delivery.
Policy Framework:	Sustainable Swansea – fit for the future
Consultation:	Legal, Finance, Access to Services and schools with dual use Leisure facilities
Recommendation(s):	It is recommended that: 1) Cabinet note the progress of the procurement exercise undertaken for Leisure and Cultural facilities, following the Service Commissioning Review 2015, and the detail of the comparative options for future delivery.
Report Author:	Jamie Rewbridge
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Ann Williams

1. Background

A Commissioning Review undertaken in 2015 outlined comparative options for the long term delivery of the functions within the council's Cultural Services. These included options for third party contracts and it was agreed to pursue this option in order to ascertain the best and most sustainable model for Swansea. Following the publication of a Contract Notice in the Supplement to the Official Journal of the European Union (OJEU), Pre-Qualification Questionnaires (PQQ) were received and evaluated in January 2017.

This resulted in some services being removed from the procurement process, specifically Galleries and Museums, due to insufficient evidence of an ability to meet our specification. These remain subject to in house remodelling and business planning with our stakeholders and funding partners.

For the remainder, a number of bidders were invited to proceed to the Invitation to Submit Detailed Solutions (ISDS) stage, against the following 'Lots':-

- Lot 1 – Leisure Centres: Bidders were restricted from bidding for select facilities only to remove the risk of us retaining high cost/ low opportunity facilities and contracting out more commercially viable facilities, thereby distorting the appraisal of future benefits. In acknowledging the dual use complexities, bidders were required to identify the impact, in financial and operational terms, of removing each of the 'dual-use' facilities from their bid.
- Lot 2 – Outdoor Leisure: Applications were permitted for both or either:
 - Lot 2A - Ashleigh Road Pitch and Putt
 - Lot 2B – Other Outdoor Facilities
- Lot 3 – Theatres: Applications were permitted for the Grand Theatre or Brangwyn Hall individually or as a combined proposition.
 - Lot 3A - Grand Theatre
 - Lot 3B - Brangwyn Hall
- Lot 5 – Plantasia: Single facility

At this point, several bidders withdrew from the process for their own reasons.

2. Invitation to Submit Detailed Solutions (ISDS) stage

All updated and refined ISDS documents, including a package of supporting information was uploaded to the procurement portal in April 2017. The ISDS stage was designed to enable the Council to engage in productive dialogue with the remaining bidders, who were required to put forward a fully costed and operationally detailed response to our Specifications and defined outcomes.

At this stage an additional specification was included against Workforce Matters following Union consultation. This entailed a mandatory requirement for bidders to submit solutions against variant options of 'TUPE +1' and 'TUPE +2'. There are subtle differences between the two options which are set out to protect 'existing' transferred staff under both scenarios, with option +2 offering protection of existing terms to 'new employees' taken on after the contract start date including membership of the Local Government Pension Scheme. This sits alongside the Code of Practice on Workforce Matters 2014 (Wales) which provides guidance where a body transfers its workforce to a service provider.

The Code requires that any new joiners are employed on terms ‘no less favourable’ than the existing terms and conditions, but it does not require that new joiners are employed on previously held Council terms and conditions. In terms of the pension provision the Code provides that contractors should offer membership of LGPS via an admission agreement or a scheme which meets the auto enrolment provisions.

2.1 Evaluation

The evaluation process was open, fair and transparent to all bidders and focused on obtaining clear evidence and information on which to evaluate the options. The principle at this stage was to shortlist up to three bidders per lot.

The following key areas were the basis of the specification and evaluation:

- Services (e.g. deliverability/added value/customer service)
- Technical (e.g. the capital build and investment plan)
- Commercial (e.g. price, commercial terms, contract)

These are underpinned by a range of detailed criteria within a ‘weighting’ framework for each area as follows:

Table 1 Evaluation Criteria

Level 1 Criteria	%	Level 2 Sub Criteria	Level 3 Sub Criteria
Services	40%	<ul style="list-style-type: none"> • Outcomes • Quality/Customer Care • Operational Delivery 	<ul style="list-style-type: none"> • Specific areas, such as Sports Development, Staffing, Health & Safety
Technical	10%	<ul style="list-style-type: none"> • Development/ Design • Planning Risk • Maintenance 	<ul style="list-style-type: none"> • Design and maintenance proposals • Environmental Approach
Commercial	50%	<ul style="list-style-type: none"> • Usage, Expenditure & Revenue • Affordability • Contract Acceptance • Capital Costs • Delivery & Risk 	<ul style="list-style-type: none"> • Deliverability of financials, financial, risk

2.2 Responses were scored on a weighting of 1-10 as follows:

Table 2 Scoring weighting

Score	Rating	Criteria for Assessing Score
0	No response	No response
1	Unsatisfactory / Unacceptable	Unsatisfactory/unacceptable response that does not address all aspects of the question/method statement/specification asked of the bidder or irrelevant response. Significant lack of detail and/or proposes a solution that is unrealistic to implement and manage.
2	Poor	Poor response that is only partially relevant to the question/method statement/specification. Lack of detail provided and/or proposes a solution that is very unlikely to be implemented and managed successfully.
3	Very Weak	Very weak response that addresses some aspects of the question/method statement/specification. Significant issues in relation to the ability of the bidder to implement and manage the solution successfully.
4	Weak	Weak response that falls moderately short of responding to the evaluation criteria/question/method statement/specification in full. Significant minor issues in relation to the ability of the bidder to implement and manage the solution successfully.
5	Acceptable	Acceptable response that appears to address the question/method statement/specification but some minor issues in relation to the ability of the bidder to implement and manage the solution successfully.
6	Satisfactory	Satisfactorily meets requirements and is supported by clear evidence.
7	Good	Good response that responds adequately to the question/method statement/specification. No minor issues in relation to the ability of the bidder to implement and manage the solution. [and] [Solution will bring some relevant added value / benefit in the delivery of the services]

Score	Rating	Criteria for Assessing Score
8	Very Good	Very good response with a robust and detailed solution that gives the Authority a degree of confidence that the solution could be implemented and managed successfully. [and] [Solution will bring relevant added value / benefit in the delivery of the services]
9	Outstanding	Outstanding response with robust and comprehensive solution that gives the Authority a high degree of confidence the solution could be implemented and managed successfully. [and] [Solution will bring significant relevant added value/ benefit in the delivery of the services]
10	Exceptional	Exceptional response with robust and a fully detailed solution that gives the Authority full confidence that the solution can be implemented and managed successfully. [and] [Solution will bring very significant relevant added value / benefit in the delivery of the services].

2.3 'Affordability'

Throughout the process we were clear with staff, colleagues, stakeholders and bidders that the outcome may not result in a contract award to the 'best' bidder, as that was only one option being explored. Diverting from Council management would only be undertaken if it was evidenced that a third party could achieve the qualitative, quantitative, regulatory and technical outcomes that the Council delivers – at less cost coupled with greater investment, to secure a sustainable future service. Financial sustainability therefore became a significant part of the evaluation framework which was described as 'affordability'.

The 'affordability' level was set at how much the services currently cost the Authority overall (i.e. not just Cultural Services revenue budget) once savings from in-house transformation phase were delivered 16/17. This was to ensure that we were assessing the 'solutions' for improving areas that we had no more capacity to improve ourselves. The staffing and operational model is therefore currently at its leanest possible threshold. Evaluation was based on a calculation of how far below the affordability levels the bidders scored, with a maximum score of 10 if they were at the following levels below the affordability level.

- Lot 1 – £500,000 per annum below affordability of 1.6M cost to Council
- Lot 2A – £30,000 per annum below affordability of -£5.5k payment to Council
- Lot 2B – £100,000 per annum below affordability of 18k cost to Council
- Lot 5 – £200,000 per annum below affordability of 150k cost to Council

2.4 Evaluation

A cross-council governance structure was established, with each aspect of the evaluation framework being led by a specialist team. These reported to the Project Team and subsequently CMT & Cabinet Members. Each evaluation team was responsible for evaluating a particular area, within the framework described in 2.1 of this report.

Robin Thompson of RPT Consulting was retained to offer summary analysis, background information, support and advice and a level of moderation, but only participated in establishing scores for the Commercial Evaluation.

Following Member consultation it was agreed that there was insufficient evidence to warrant progressing to Full and Final Tender for Theatres and these were removed from the process, and are now subject to in house modelling to achieve further improvements.

The process revealed that there was sufficient evidence to progress with the highest scoring bidders for Lot 1, 2a and 2b, and 5, with a number of caveats and recommendations.

Lot 1 (Leisure Centres)

- a. Lot 1 to proceed to Final Tender stage of the procurement process, with the remaining bidders invited to submit a full and final tender, with an anticipated outcome of awarding a contract to the highest scoring bidder, alongside a reserve bidder. This is due to the evidence provided by these bidders that their solutions offer the same or improved outcomes, plus investment, at less cost and reduced risk to the Council.
- b. We continue to operate the LC through partnership having extended the management agreement with the existing operator to 30th September 2018, to coincide with anticipated contract start timescales for the successful bidder.
- c. The option of TUPE +1 as a minimum remains, understanding that all options could be retained into the final stage for consideration. Further engagement with Unions has informed the decision to retain TUPE Plus 2 as an optional variant.

- d. The minimum length of contract for standard bids increased to 15, with a 20 year option as a variant in the final tender, this was to seek an improvement in the overall financial position and ensure any capital is repaid.
- e. Pentrehafod Sports Hall was removed from Lot 1 and formal discussions have commenced with the school and staff to transfer back to school management, with zero contributions from 2019/20

Lot 2a and 2b (Outdoor Leisure)

- a. Lot 2a (Ashleigh Road Golf) to proceed to Final Tender stage of the procurement process, with bidders invited to submit a full and final tender, with an anticipated outcome of awarding a contract to the highest scoring bidder. This is subject to the Final Tender submitted by the highest scoring bidder offering the same or improved outcomes as the Council is able to deliver, plus investment, at less cost and reduced risk to the Council
- b. Lot 2b (remaining Outdoor Leisure) proceeds to the Final Tender stage of the procurement process.

Lot 5 (Plantasia)

- a. Accepted that no option will deliver a nil cost revenue outcome in the medium term along with the knowledge that there are likely to be significant costs of £500k-£1m to close the facility.
- b. A new revenue affordability limit of 150k per annum was agreed as acceptable. Formal agreement for the removal of the further £110k savings target still remaining against Plantasia in the budget, retaining C£150k as the operational affordability target.
- c. To seek final tender option on the understanding that interest in pursuing the delivery of this is likely to be predicated on that bidder being awarded a contract in another Lot.
- d. To develop a new in-house business plan based upon the potential new opportunities detailed in this paper, as well as utilising any negotiated sum from Parc Tawe developments, within an agreed 150k affordability envelope. This to proceed in parallel to the procurement option, for comparative purposes. Both options considered at a later stage, including consideration of the implications of retaining the asset in-house from lifecycle cost perspective, including required revenue funded annual maintenance and future capital works.

2.5 Alternative Options Review

In seeking an evidenced based options appraisal, all Services included in the Procurement, i.e. Lot – 1, 2, 3 and 5, as well as those removed from the process, were reviewed and modelled against the criteria in order to assess both the feasibility and the resource implications of continuing an in house operation. This informed a parallel process for the option of transferring to a newly established company, such as a charitable trust.

The work was undertaken by RPT Consulting for Leisure Centres, Outdoor Leisure and Plantasia (Lots 1, 2 and 5). With David Clarke Associates (DCA) providing a report on the Grand Theatre, Brangwyn Hall and Museum Services; Lots 3a, 3b and the remaining part of Lot 4. The Glynn Vivian Art Gallery is undergoing a separate process for business planning and resilience as part of a funded programme with Arts Council of Wales. This work is continuing.

3. Full and Final Tender

3.1 Process

Bidders were invited to submit Final Tenders (ISFT). At the same time we continued to assess the feasibility and implications of continuing an in house operation, as well as the establishment of a new Not for Profit Organisation (NPDO) for the remaining Lots. The key outcomes and principles of that assessment, together with current and anticipated future constraints, are highlighted in this report, as are the supporting evaluation matrices and detailed evaluation.

3.2 Criteria

The previous criteria still stands, but in addition, bids were to fulfil the following criteria:

- Standard bid – ie. a 15* year contract, based on TUPE Plus 1 Scenario with full life cycle costs the responsibility of the contractor (Standard bid for Lot 2a (Golf) was 10*** year, with a 15 year variant);
- Variant bids – which included for TUPE Plus 2 scenario and 20** year contract terms for Lot 1
- For Lot 1 bidders were also asked to provide the impact of removing any one of the schools from the Lot.

***nb** *15 year is presented as 14.5 years, assuming contracts commence 1st Oct 2018*

***20 year is presented as 19.5 years, assuming contracts commence 1st Oct 2018*

**** 10 year is presented as 9.5 years, assuming contracts commence 1st Nov 2018*

The TUPE scenarios were based on the following parameters:

- TUPE Plus 1 scenario was to ensure that all existing staff were transferred and remained on existing terms and conditions whilst employed.;
- TUPE Plus 2 was based on all new/future staff also being appointed on these terms.

4. Procurement Process and Evaluation

The evaluation matrix has remained consistent throughout the process—including affordability and targeted savings.

The governance structure and process of evaluation by specialist teams has also remained consistent at this final stage.

4.1 Evaluation Overview

All the bids received were good quality, submitted by organisations with significant track records in the industry, both operating and developing new, relevant facilities.

Affordability limits for the Final Tender were modelled on the current costs to the Council providing the services, less required and targeted savings over three years from 16/17. Targeted Cultural Services savings for the remaining facilities in the Lots is a further £300k, planned for between 19/20 and 20/21, these follow savings of £700k across 16/17 -18/19, in order to achieve the £1M targeted saving identified as part of the commissioning process.

Whilst these figures provide us with clarity on the incoming proposals in terms of investment and operational enhancements required, and the ability of the third party to deliver, it demonstrates that ‘do nothing’ is not an option. The Service has delivered significant savings to the degree that retaining the facilities in house will require some staffing and budgets to be reinstated in order for business as usual to be sustainable. Enhancement and growth will require further capital investment and revenue growth. This is a key component in the options appraisal later in this report.

It is also important to note that the affordability assessment was aggregate with the scoring for the other factors including customer benefit, qualitative and investment factors and should not be seen in isolation.

All bids present savings in excess of £500,000 per annum on the affordability level presented for Lot 1, at £1.6 million cost per annum (n.b. this includes all maintenance overheads and back office costs, not just Cultural service budgets). We summarise in the table below the management fee and the cost of finance for each of the standard bids, together with the capital investment required in order to yield these improvements.

Lot 1 Evaluation (Leisure Centres)

The bids present different solutions to the operation and investment in the facilities

Table 3 Lot 1 Evaluation Summary

Lot 1	Bidder 1	Bidder 2	Bidder 3
Services (40%)	29.8%	34.4%	33.7%
Technical (10%)	6.8%	6.5%	8.0%
Commercial (50%)	44.4%	45.9%	46.7%
Total	81.0%	86.8%	88.4%
Rank	3	2	1

All score within 7% of each other and between 81 to 88% and this reflects their technical, financial and services proposals. Scores of this level evidence that the Council's specification and required outcomes are met and in some instances exceeded through 'added value' offered in the bidders' solution.

All bids propose detailed and costed investment in the facilities, including a range of schemes and options for addressing and funding backlog maintenance; improving the facilities to increase commercial opportunities; increased use and improved outcomes through service delivery, and investment in facilities and equipment. The proposals have been developed through dialogue with the Project Team and the schools, addressing safeguarding issues at dual use sites and proposing much needed refurbishment and improvements to the facilities.

*NB: Affordability Level £1.6 million (1600)
Current Cost - £2.13million (2130)*

Table 4 – Lot 1 Average financial submissions

Average Annual Cost to Council (14.5 year contract)	Average of the Bidders submission (£'000's)
Management Fee paid by the Council	765
Cost of Finance at 7% (incurred by Council)	333
Total Annual Cost to the Council	1098.5
Total Capital Amount of Capital Required	4936

Notes

1. The capital requirements will need to be provided by the Council and funded through prudential borrowing.
2. The prudential borrowing costs are the cost of finance shown above on the basis of a standard cost to the Council of £70,000 per annum per £1million borrowed. These costs are not paid to

the Bidder but are incurred by the Council as 'landlord'/ owner of the asset.

Although a standard 7% cost of capital has been included in the bid for comparison and evaluation purposes it should be noted that actual finance costs will depend on the rate of interest on the day the borrowing is undertaken.

The bidders were also asked to price a scenario based on TUPE Plus 2 and a twenty (19.5) year contract. The costs of implementing these range as follows

Table 5 Lot 1 Range for Variant Options

Average Annual Additional Cost/(Saving) to Council	Range of bidders submission (£'000's)
20 year contract	(70) to 290
TUPE Plus 2 Scenario	124 to 603

Two bidders propose that the management fee can be reduced annually for a 19.5 year contract by up to £70,000. One bidder proposes that it will be increase over a longer term by £290,000

All bidders propose that a TUPE plus 2 scenario will be more expensive for the Council at a value between £124,000 and £603,000 per annum.

4.2 Lot 1: Evaluation Conclusions

Overall, the procurement exercise has demonstrated that several bidders can deliver equal or improved outcomes, at significantly less cost than currently incurred and below the affordability level.

The high quality of the submissions received is evidenced by an average score in excess of 80% across the board. The review team were particularly pleased with some of the added value elements within the submissions, as well as the investment proposals, improvement of systems, equipment and diverse programming.

The summary quality scores and overall financial submission indicates that the highest score is awarded to Bidder 3. Their submissions scored 88.4% overall.

If the decision is taken to contract the services, they should be awarded preferred bidder status. Bidder 2 scored second on the evaluation at 86.8% and should be awarded reserve bidder status.

Consideration should be given to the inclusion of TUPE plus scenarios and length of contract due to the impact on the benefits to the Council and customer. The benefit of a longer contract is the opportunity to achieve greater savings. The implications of maintaining TUPE plus 2 as a condition will cost the Authority between £124,000 and £603,000 per annum.

Should we proceed, then 'preferred bidder' negotiations and finalisation of the terms and agreements should commence as soon as possible, in order for the contract to be live from 1 October 2018, ensuring continued operation of the LC.

4.3 Legal Considerations

A 'model' contract has been provided to bidders during the dialogue process. At final tender stage bidders were asked to provide a full mark-up of the contract in line with the instructions and guidance to bidders. The contract mark-up returns have been reviewed by the Council's Legal team and their advisers, to assess the extent to which bidders have, in their final tenders, accepted the proposed conditions of contract for the Cultural and Leisure Services.

All bidders within the process scored 10/10 for their acceptance of the proposed contract structure, indicating that the contract terms have been accepted and agreed, subject to any 'fine-tuning' at preferred bidder stage.

5. Leisure Centre In-house and alternative options review

The work to model an in-house option was undertaken by external consultants and is complementary to the previous commissioning review and explored the viability of financial, operational and sustainability factors for two options:

- Further in-house transformation;
- Development of a new 'Not for Profit Distributing Organisation' (NPDO).

The purpose of this work is to enable the Council to make a fully informed decision on the preferred model for future provision, by providing a comparator to external bidders' solutions and costs. It has already been expressed that 'do nothing' is not an option as the staffing and revenue levels are severely limited and unsustainable, and the backlog maintenance and investment needs are further hindering long term planning and improvement.

5.1 Summary and Recommendations for Lot 1

The review was conducted and delivered to the Council ahead of RPT consulting accessing the Tenders at ISDS submission stage, therefore avoiding any conflict of interest. It covers services across all Lots detailed in this report 1, 2 and 5. The review was developed in dialogue with staff and assessment of the facilities, budgets and opportunities or requirements for improvement. For example, changes to catering and fitness equipment; digital and financial/data/customer processing and marketing improvements; changes to opening hours; staff terms and conditions; energy savings; rate relief and VAT advantages.

5.2 Management Options Comparison

We summarise in the table below a comparison against the deliverability of the opportunities for each of the management options.

Table 6 – Opportunity Model Options

Opportunities	In House Model	New NPDO
Investment Schemes	May not be delivered even if business case is robust due to other Council priorities. Likelihood of servicing the debt within existing or reduced budget a risk	Would be delivered subject to business case and financing. Financing will be the biggest challenge
Staffing Terms & Conditions	Any changes are unlikely bearing in mind potential for two tier workforce	Changes could potentially be delivered over the longer term
Staffing Structure	The appetite for change may not exist within the Council and if so will take a long time to implement	Can deliver but are likely to take time
Marketing	Can changes be made within the Council corporate framework? For example is there the appetite for stand alone websites?	NPDO will have a single focus and ensure market geared towards leisure and cultural market
Opening Hours	Yes can deliver, subject to Council agreement	Yes can deliver subject to Council agreement
Other service changes (eg pricing)	Subject to agreement through specification by Council	Subject to agreement through specification by Council

Opportunities	In House Model	New NPDO
LC Senior Management	Unlikely to be required	Unlikely to be required but may need additional senior support as part of structure
Support Services	Likely to remain as current position	Changes through service level agreements
NNDR Relief	Cannot deliver	Yes – opportunity to deliver
VAT savings	Potential opportunity for savings as result of recent legal case	Opportunity for VAT savings

There are some differences between the approach for each of the two management options, in particular consideration will need to be given as to whether the in house option can deliver on some of the key changes versus the cost and time implications to set up, fund and fully establish a new NPDO. Also unless the NPDO is wholly owned and controlled by the Council (with limited ability to undertake services for others) then the NPDO once established will need to tender for the operation of these Council facilities.

5.3 Financial Implications of Management Options

In terms of financial outcomes, there are a number of options available, including for the future operation of the LC. Option (a) shows the implications of transferring the operation of the LC facility back in-house after the end of the current Operators contract; the other Option (b) shows a potential impact if we were to re-contract the LC only to an existing operator, but continue to operate all other facilities in-house.

The figures below represent the assumed position across each of those options, measured against both the current cost/budget and against the affordability target of 1.6M.

Overall, it can be seen that there are some opportunities to improve the current financial position of £2.13M cost to the Council for Lot 1 through each option, and this ranges from savings of between £168k - £458k by year 5. However, every option is more expensive than the affordability target of £1.6m by between £92k and £368k by year 5.

Table 7 Lot 1 – Leisure Centres- In-house and Alternate Options

(Income)/Cost (£'000's)	In House (a) (Inc LC)		In House (b) Exc LC)		New NPDO	
	Year 1	Year 5	Year 1	Year 5	Year 1	Year 5
Existing Budget/cost	2,136	2,136	2,136	2,136	2,136	2,136
(Savings)/Cost	13	(168)	(277)	(458)	(161)	(444)
Lot 1 - Future Budget	2,149	1,968	1,859	1,678	1,976	1,692
(Savings)/Cost v Affordability (£1.6m)	549	368	259	78	376	92

Additionally, the future budgets presented above do not include any investment costs to make improvements or to deal with considerable backlog maintenance costs (circa £1.5M) that have been identified through the condition surveys, which will need to be funded by the Council at the required time.

5.4 Summary and financial comparisons with bidder's solutions

As with other decisions in the current climate, it is by necessity informed by savings requirements and balanced against the factors of governance of operation and quality, which is secured through in house models only. We will forgo significant savings by retaining the services, and incur a period of remodelling and investment need in return.

Of the in-house options, the most cost efficient option would be to re-contract the LC (shown as option (b) above), so for the purposes of comparison exercise this option (b) has been depicted below.

The preferred and reserve Bidders average submission has been presented based upon the average Management Fee over a 20 year period and including a TUPE+2 scenario, which is the assumed position of retaining in-house or creating a new NPDO.

The average management fee of the bidders solutions include average capital borrowing of £4.9M and associated repayment costs of the prudential borrowing.

Table 8 Lot 1 Average Costs Comparisons

(Income)/Cost	Preferred and Reserve Bidders average solutions	In House (b) (Exc LC)	New NPDO
	Average management fee across contract (£'000's)	By Year 5 (£'000's)	By Year 5 (£'000's)
Existing Budget	2,136	2,136	2,136
Potential Future Budget	1,553	1,678	1,692
(Savings)/Future vs Existing	(583)	(458)	(444)
(Savings)/Future vs Affordability (£1.6m)	(47)	78	92
Rank	1	3	2

() Represents cost below existing costs and affordability levels

As shown above, the average submission of bidders delivers better financially against the existing and future affordability of the services compared to the in-house (b) and New NPDO option, with their average solutions delivering over and above the required savings set by the affordability level. Both the in house (exc LC) and NPDO fall marginally short by 78-92k of delivering against the affordability target.

Importantly, bidders solutions deal with backlog maintenance and required investment within the facilities. The cost of financing this has been factored into their overall management fee submission and represents £333k per year of the £1553k required over a 20 year contract with TUPE plus 2.

The saving would be greater in a TUPE plus 1 scenario and differs when an average s not applied. The long term repair and maintenance of the assets can be transferred to the preferred bidder if contracted, and otherwise is likely to remain a risk retained by the Council.

On the basis that the preferred bidder scored 88%, which indicates that each of the criteria for Services, Technical and Commercial elements of the Specification are met, with significant added value, this demonstrates that the Council's requirements can be delivered through the tendered solutions.

In order to deliver the identified potential savings through any New NPDO or In-house model, there are significant risks associated with the deliverability of identified opportunities. If these opportunities are not

realised this will have an impact on the level of savings and financial planning, therefore the Council carries that risk.

5.5 Key Risks and Considerations– In-house or new NPDO

There are a number of key risks that are associated with the two management options including

- **Operational performance** – in both options the risk of future operational performance will effectively remain with the Council. The in-house option is part of the Council and the performance will directly sit with the Council. A new NPDO will initially have limited reserves (if any) and as such any poor performance will impact on the Council, including governance or financial.
- **Delivery of Savings** –It will be important to ensure the leadership is right and also that the savings require a different approach. It is important that the Council consider whether these can be delivered and some fundamental principles are changed.
- **Backlog Maintenance** – there are significant costs associated with any backlog maintenance and the costs and responsibility for these and future maintenance works are likely to remain with the Council under the two options. Current backlog maintenance is £1.5M across the portfolio.
- **VAT** – although there are potential VAT advantages due to the recent legal case, there is also a potential VAT risk to the In-House option – as income will become VAT exempt there is a risk that any large expenditure at any of the sites (for example any capital works) could cause the Council to breach it's partial exemption limits and this would result in the Council being unable to reclaim a significant sum of VAT from HMRC (over £1m).
- **Support Services and reducing resource-** savings already made across the leisure centre portfolio have already impacted negatively on operational and staff development. There has been a reduction in the direct Management, reducing from 3 posts to 2; reduced support and development of Swimming, Gymnastics and Fitness by deletion of 3 posts and reduced capacity to manage, supervise and drive improvements. An ability to develop and drive new business and income has been lost, and cannot be sufficiently delivered by the existing provision, in a sustainable way. Given the portfolio includes numerous leisure centres and outdoor sites (excluding the LC), this lost capacity will need to be reinstated to some degree, as a minimum we would anticipate a reinstatement of £230k per annum, including on costs.

However, reductions in other parts of the Council also have an impact. Continued reductions in Finance, HR, Procurement and Legal, with a model geared around self-serve are impactful to an already reduced establishment for what are front facing, operational sites requiring a workforce focused on regulatory, community and commercial priorities.

These risks will need to be taken into account when considering any comparisons with the proposal from the preferred bidder, which will resume responsibility for all support and Developmental posts to support the business, and will bring economies of scale through regional management.

- **Legal issues** - see Legal Implications section at paragraph 18.

6. Schools Engagement

Continued and detailed engagement and discussions and update sessions with Schools/ Education colleagues regarding the inclusion of the dual use facilities has been undertaken throughout the commissioning and procurement process.

A previous update paper was presented to each school Head and this was shared separately with relevant Cabinet Members. This resulted in the majority of schools providing written commitment that they will support Cultural Services in including their school based facility in the final tender stage.

It was agreed that there was to be further and direct dialogue between the project team, bidders and the schools on the implications of each of the submissions.

During the Final Tender stage, schools have had a number of opportunities to engage with the bidders and vice versa, facilitated by the Project Team. Specific sessions at which bidders were given the opportunity to present themselves as organisations, their approach to dual use arrangements plus safeguarding, and importantly to test their conceptual improvement ideas for the individual sites. Sessions took place between each school and bidder, and schools were encouraged to use the opportunity to engage Governors in the discussions, which was positive. As a result of the dialogue and engagement a number of improvement ideas were developed and feature within the final tender solution as proposals.

Throughout the process Bishopston and Penyrheol have declared an interest in operating the leisure facility at their site, but no detail has been discussed or shared as to how that may work financially or operationally. It is anticipated that this will only be considered in the event of a school(s) being dissatisfied with the specific options presented by the preferred bidder for their site, and can therefore be reported and options

considered at that stage. Again it is worth remembering that Cultural Services may remain the preferred operator and the decision to transfer to the school – and by implication from one part of the authority to another – should only be considered subject to the same financial and operational considerations as outlined previously.

Bidders were asked to price on this basis, so that it could be clearly understood what the financial implications of removing one or more dual use facilities from the Lot. Removing any one site has implications for the overall affordability and the same consideration to doing so will need to be applied as with retaining in house.

As of 8th June all Schools engaged throughout the process have signed and returned a confidentiality agreement setting out their commitment to in principle work with the preferred bidder if this is the decision taken by Cabinet , subject to a final ratification by the schools Governing body.

Pentrehafod Comprehensive was removed from the final procurement stage with the understanding that the facility has a limited existing budget, which would be phased to zero moving forward. The transfer of staff implications of the 2 part-time employees, plus any regular casual staff have been dealt with and the School is currently working within a business plan model largely based on previous performance. The budget for Pentrehafod is circa £5k and it has been agreed to transfer this from Cultural Services for 18/19 and zero from 19/20. The Pentrehafod Sports Hall programme is based on a traditional block hire basis, which unlike the other larger sites is not complex. It would make sense for the Sports Hall operation to sit with the school especially as they are currently directing the swimming pool programme.

7. Conclusion and Recommendation

The evaluation of the preferred bidders submissions provides us with evidence that there is an opportunity to deliver higher savings against both the current cost and affordability target than any of the in-house options or alternate New NPDO option.

The preferred bidders solutions evidence that improved outcomes, plus investment can be achieved at significantly less cost to the Council. The preferred bidder (Bidder 3) and reserve bidder (Bidder 2) score well against the specification and deliver significant savings against the affordability.

Solutions deliver significant investment in the facilities, dealing with both capital improvements, transferring future maintenance obligations and dealing with all backlog maintenance across the lot. It is recommended therefore to proceed with appointing Bidder 3 as the preferred bidder for Leisure Centres.

8. Lot 2A & 2B Evaluation (Outdoor Leisure)

8.1 Lot 2 – Outdoor Leisure was split as follows

- Lot 2A - Ashleigh Road Pitch and Putt
- Lot 2B – Other Outdoor Facilities
(Blackpill Lido, Land Train, Singleton Boating Lake, Southend Gardens)

The evaluation of the bids for Lots 2A and 2B are shown below.

Table 9 Lots 2A and 2B Evaluation Summary

	Lot 2A (Golf)		Lot 2B (Outdoor Leisure)
	Bidder 4	Bidder 5	Bidder 6
Services (40%)	28.8%	16.1%	14.0%
Technical (10%)	7.1%	0%	0%
Commercial (50%)	28%	25.2%	19.4%
Total	63.9%	41.3%	33.4%
Rank	1	2	1

Bidder 4 scored better for Lot 2A through providing relevant method statements and a detailed approach for their operation.

They have included within their submission opportunities for investing their own capital and development of the golf facility, this does not require prudential borrowing. Their management fee for a 14.5 year contract is a payment to the Council considerably better than the affordability target.

Bidder 4 have accepted the contract terms and conditions and have included full repairing and maintenance responsibilities for the building and grass for the duration of the contract.

8.2 Lot 2a and 2b Financial evaluation

The financial submissions for the two Lots are summarised below in comparison to the Affordability Levels of (£5,500) payment to the Council for Lot 2A (Golf) and £17,950 cost to Council for Lot 2B (Other Outdoor Leisure).

The bids for Lot 2A (Golf) were comparable and within £2,000 of each other and meet the affordability levels.

It should be noted that whilst Bidder 4 doesn't offer the best financial return for the Council for Lot 2A in isolation, the best offer is from Bidder 5.

Bidder 6 are offering a price for Lot 2B that is outside the affordability limit for 14.5 years and 19.5 years.

9. In-house and alternative options for Outdoor Leisure

This work concluded that there appears to be limited opportunities to improve the revenue or invest, as the facilities are operated at a low budget and already maximise the opportunities available.

9.1 Financial Performance

Table 10 Lot 2 Current cost vs affordability

Lot (£'000's)	2017/18 Budget			Affordability Target
	Income	Expenditure	Net Cost/ (Income)	Net Cost/ (Income)
2 – Outdoor Leisure	108	122	14	12

It is highlighted that the Outdoor Leisure service also has backlog maintenance requirements totalling around £25,000, with the majority of these costs residing in Blackpill Lido plant and pool and for our older buildings, such as flat roofs etc.

The same options and principles as previously described were modelled for Outdoor Leisure (Lot 2), with limited scope as commercial opportunities were already being explored through a short term partnership or an existing commercial in-house operation. The benefits of an in-house and NPDO therefore show a negligible saving against the existing and meets affordability target of £12.5k.

Table 11 Lot 2 Options analysis

Lot 2 – Outdoor Leisure (Income)/Cost (£'000's)	In House		New NPDO	
	Year 1	Year 5	Year 1	Year 5
Existing Budget	14	14	14	14
(Savings)/Cost	(2)	(2)	(2)	(2)
Lot 2 - Future Budget	12	12	12	12
(Savings)/Cost v Affordability	-	-	-	-

The key issues for Lot 2 is that the net budget is relatively low and the opportunity to award a contract for Lot 2a will improve the overall position.

However, it must be noted that the forecast budgets above do not include the condition survey backlog maintenance costs, which will still need to be met, and this should be recognised when comparing against other alternative delivery options. The risk of delivering the services and meeting income targets under an in-house operation would remain with the Council, along with the liability of the assets and their repair and replacement

10. Summary Conclusions and Way Forward

Lot 2A (Golf)

It is recommended that Bidder 4 is appointed as preferred bidder and negotiations to finalise the contract are commenced.

Lot 2B (Outdoor Leisure)

Bidder 6 did not score highly and the solution was unaffordable. The in house operation is continued and further options are explored.

11. Lot 5 – Evaluation (Plantasia)

Lot 5 – Evaluation. Plantasia formed a Lot on its own, with outcomes and terms adapted to reflect its commercial potential as a visitor attraction and therefore, an affordability level set at £150k to the Council.

Update from previous report

- a. The evidence that no option will deliver a nil cost revenue outcome in the medium term was noted and accepted, along with the knowledge that there are likely to be significant costs to close the facility.
- b. A new revenue affordability limit of between £120k-£150k per annum was agreed as acceptable as was the removal of the

further £110k savings target still remaining against Plantasia in the budget.

- c. Council sought a final tender option from Bidder 7. However, this will be on the understanding that their ability and interest in pursuing the delivery of this is likely to be predicated on them being awarded a contract in another Lot.
- d. To develop a new in-house business plan based upon the potential new opportunities detailed in this paper, as well as utilising any negotiated sum from Parc Tawe developments, within an agreed 150k affordability envelope. This to proceed in parallel to the procurement option, for comparative purposes. Both options considered at a later stage, including consideration of the implications of retaining the asset in-house from lifecycle cost perspective, including required revenue funded annual maintenance and future capital works.

11.1 Finance

It should be noted that Plantasia has been operating on a reduced budget since 2014/15, when previous management put forward closure and alternative operating options which were not realised. Current and previous performance of the facility shows a continued overspend against the current budget.

At financial closing in 17/18 Plantasia showed a considerable overspend compared to the budget allocated. Although partly because of costs due to the ongoing delays in relation to the café and general site disruptions, there is an underlying shortfall in the budget. Despite strict adherence to budget controls, the costs of operating the facility and providing adequate customer care and animal welfare are incurring unavoidable operational costs whilst it remains open.

The Affordability limit for Plantasia was reviewed and set at £150k per annum cost to the Council.

11.2 Evaluation

There was only one submission for Plantasia from Bidder 7 who presented a bid which has improved the existing position/ cost per annum to the Council with a submission just below the affordability position. However, this was on the basis that they were successful in another Lot. The submission was based upon an average management fee plus capital repayments on prudential borrowing of £1M to invest into the facilities and attractions.

Following clarification, Bidder 7 have indicated that they would be seeking additional management fee, if they were offered Lot 5 in isolation to cover additional management, marketing and operational costs could not be defrayed across a wider Leisure Centre portfolio locally. However,

they would be willing to enter into dialogue with the Council to seek to adapt the business plan in a collaborative way.

The impact of TUPE Plus 2 would be a considerable increase on top of the annual management fee.

It is important to note that the liability for maintenance of the asset could be transferred for the duration of the contract (15 years) which is likely to be substantial.

11.3 Evaluation Scoring

Bidder 7 submission has been evaluated and the scores are presented below.

Table 12 Lot 5 *Evaluation Summary*

Lot 5	Bidder 7
Services (40%)	30.0%
Technical (10%)	6.7%
Commercial (50%)	25.2%
Total	61.90%
Rank	1

The submissions and solutions presented by Bidder 7 at Final Tender stage have considerably improved with higher average scores of 7 and 8, representing Good to Very Good with some added value.

The proposals from Bidder 7 present exciting and innovative solutions to operate Plantasia and introduce new interactive exhibitions and events, which will provide a new focus for the attraction. The proposal will seek to offer the Council with an affordable, inspirational visitor attraction that the City and its people would be extremely proud of. With a vision for Plantasia for it to deliver an inspirational interactive educational play experience which is in keeping with the Plantasia theme.

The overall business model is to make major improvements which include innovative ideas and solutions for attractions, marketing and commercialism.

11.4 Staffing

The bid was submitted in line with the guidance and instructions and both TUPE plus 1 and Plus 2 were provided and impact of TUPE plus 2 has been described in an earlier section.

The proposed solution seeks to revise the existing structure, bringing in additional resource to manage the newly invested facility with Visitor Experience and Marketing Manager, Plantasia Technicians and Maintenance Technicians as additional Senior support and key holders to support the overall Manager.

As there is only one bidder, consideration must now be given in terms of the future acceptable cost of the facility/service to the Council, as the procurement process has demonstrated that a 'Nil Cost' cannot be achieved through the Market. It is evident that a reduction in ongoing revenue costs can be achieved, but this will require investment of £1M through Prudential Borrowing to change and improve the offer available.

12. In-house and alternative options review for Plantasia

The current opportunities for the facility were considered and summarised as including a potential development of the café/reception area; creation of retail space; improvements to the overall approach for catering which should seek to identify the most commercial strategy possible to diversify customers. In terms of branding and marketing, further opportunities were identified such as dedicated websites and promoting the facility as a destination tourist attraction to seek to attract a regional visitor audience.

The report identified that the current opening hours for Plantasia at 10am – 5pm, 7 days a week throughout the year should be reviewed to allow for seasonality. This would give the opportunity to tailor the opening to meet demand and ensure that there are opportunities to be more efficient and generate revenue. A pricing structure review concluded the service is competitive with local/national competition, but there remains opportunity to introduce additional tariffs around themes and a bespoke usp in line with the current approach for premium events e.g. Dinosaurs in the Jungle.

12.1 Financial Performance

As previously reported, Plantasia is operating on a reduced budget due to previous savings

The table below summarises the potential financial improvements for each of the management options.

Table 13 Lot 5 Financial Improvements

Opportunity (£'000's)	In House		New NPDO	
	Year 1	Year 5	Year 1	Year 5
Marketing	(2)	(8)	(2)	(8)
Opening Hours	(8)	(33)	(8)	(33)
Staffing T & C	N/A	N/A	0	(5)
Utilities	(1)	(4)	(1)	(4)
Set Up Costs	N/A	N/A	50	0
Senior Staff Structure	N/A	N/A	N/A	N/A
NNDR (Benefit)/Cost	N/A	N/A	(6)	(6)
VAT Savings	0	0	0	0
Total (Savings)/Costs	(11)	(45)	33	(55)

There is the potential for circa £45,000 improvement to the current financial position for the in-house option by year 5 and £55,000 improvement for a new NPDO in year 5. Bidder 7 offers an improvement that is over and above this, and takes responsibility for maintenance.

The key for Plantasia is to consider its repositioning in the marketplace and also to reflect that it should be delivering a commercial opportunity. We have reflected this in the suggested review into the opening hours and also the marketing improvements.

Both of the management options are likely to be hampered in their commercial approach through restrictions on staffing and the marketing. Neither option would appear to have the potential to deliver on the affordability of 'Nil Cost', i.e. aiming for breakeven and a more commercial approach is likely to be more effective.

12.2 Other considerations – inc. Parc Tawe and City Centre

Given the improvement work to be undertaken and the potential to further future proof the attractiveness and viability of the facility, it has been requested to set aside the additional sum collected as a result of the Parc Tawe work in a Capital account for further improvements to Plantasia. There are some other key items of equipment investment required after the café refit i.e. Furniture, Shelving for secondary sales and potential to lease/purchase hire of soft play equipment to improve the overall sustainability of the attraction through in/house or alternate delivery models.

13. Future Options

It has been identified earlier in this section that there opportunity to make a more commercial visitor attraction approach to operating Plantasia, but

under any model; partnership, in-house or New NPDO, this is not going to deliver a nil cost outcome.

The recent investment, increase in floor area and potential for further investment through carefully utilising the remaining sum, opens up a number of opportunities for the Council. There is potential for some of this money to be matched with grant funding to deliver and develop positive educational and learning outcomes, and early discussions with the Council's external funding teams have been positive.

The larger, refurbished, more visible and attractive café and circulation areas will potentially drive new business, providing that business offer is target marketed accordingly. The visibility of the café will be increased as the opening up of the Parc Tawe site places the entrance and café on the thoroughfare of the new development, supported by other business offers that will drive and increase footfall.

As previously mentioned, a number of events hosted at Plantasia work well commercially, and there is potential to develop these ideas to create a specific usp for the venue, thus providing a unique a reason to for tourists and residents to visit and revisit respectively.

Some of the ideas for future opportunity and investment are subject to further exploration by the management team, but could significantly improve the offer and financial position, these have been summarised below:

- a. Re-brand the facility with a usp build around the 'Dinosaurs in the Jungle', investing in life-size permanent models within the attraction and enter into a contract agreement to host dinosaur attraction events regularly with an approved provider, which have been extremely successful and commercially rewarding over school holidays.
- b. Invest in fixed soft play equipment within the extended café area, aligned to the agreed usp for the venue. This would encourage a purpose to visit the café, could levy an additional charge and improve the overall offer and repeat visits.
- c. Consider the model for the operation of the newly refurbished café and investigate opportunities to improve the offer, service and quality and yield for the Council through a catering concession, as has been achieved in other Cultural Services venues.
- d. Opportunity to permanently replace the recently lost Koi carp attraction with Cayman (Crocodile) reptile, which would again drive the purpose to visit and repeat visit, along a similar line of the usp as 'dinosaurs in the jungle'. Indications are that a Cayman can be housed in Plantasia free of charge, subject to zoo licence compliance and improvements to the tank enclosure.
- e. Consider any sub-letting opportunity that could be explored through use of the new garage/animal welfare room, with potential to partner commercially with organisations in the animal welfare, botany or research sectors, which could also have in-kind returns to drive down the cost of operations.

- f. Reconsider the educational offer along the lines of a new usp and provide supportive learning and interpretation packages, plus secondary sales that support the chosen theme and that is revenue driving.
- g. Seek a funding partner or headline sponsor to support the facility through some naming rights or joint promotion once a long term and sustainable plan is agreed.

14. Conclusions

Neither of the in-house options arrived at, or the one solution from the external bidder, or any the other ideas to further invest in a new usp can deliver at a cost less than the affordability target per annum

The only way to realise full revenue savings from Cultural Services would be to close the service, however inevitably this will result in closure costs, redundancies/redeployment, security, dilapidations etc, the level of which remain unconfirmed. However, previous enquiries indicated that dilapidations could be significant, or that handing the site back as we can do under the lease, could be even more significant which would cover demolition and clearance. The disproportionately high cost is due to the fact that glass would have to be removed by hand.

To continue with the operation of a service at Plantasia, all options could reduce the current cost to a more reasonable and potentially affordable level, but this entails a reasonable and realistic view of what level is affordable and acceptable given the opportunity to contribute to the viability of the city centre, attractiveness of Swansea as a destination, cultural and community education impact.

Under a transformed in-house model it must be considered that future investment (capital) and current maintenance (revenue) costs would remain with the Council. The building costs and long term liabilities under this model must be fully explored up from an affordability perspective and compared against any other options e.g. remaining bidder's solution.

However, it is quite clear that without significant investment, and/or reliance on grant funding to maximise any centrally held capital monies the Council operation will struggle to meet this revenue costs per annum. Additionally, when the costs for maintenance budgets are considered the true cost are likely to be considerably higher. Any improvements are likely to take time, up to 5 years to realise between £45-£55k per annum saving.

The option to contract to Bidder 7 with a TUPE Plus 1 as a minimum criteria is predicated on the basis that £1M is invested through Prudential borrowing. With investment, Bidder 7 solution brings significant added-value through investment in the facilities, services and staff, safeguarding and sustaining the operation for a 15 year period including the transfer of risk of building maintenance.

15. Recommendation

To proceed with discussions and negotiations with Bidder 7 as the preferred bidder and prospective operator for Plantasia.

16. Equality and Engagement Implications

The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

EIA Screenings have been completed at stages during the process and a decision made that a full EIA was not required. Equality implications will continue to be monitored as progress is made with the proposal.

Since March 2016 the Council has been subject to Welsh Language Standards set out in a Compliance Notice - Section 44 Welsh Language (Wales) Measure 2011 and treats the Welsh Language as protected characteristic within its EIA process.

17. Financial Implications

The financial implications have been dealt with throughout the body of the report.

18. Legal Implications

The procurement process as outlined in this report has been undertaken in compliance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015.

If a decision is made to pursue a management option for the leisure centres which involves an extension or renewal of the current management agreement for the LC with the existing operator as per paragraph 5.4 of the report, then it should be noted that this cannot be achieved without a separate procurement exercise exposing this opportunity to an element of competition.

If a decision is made to pursue a management option which involves the establishment of a NPDO, then it should be noted that unless this new organisation satisfies the requirements of a "Teckal" company and is wholly owned and controlled by the Council it will have to tender for the operation of these Council facilities and they cannot be awarded without

competition. The Council will also need to comply with relevant state aid legislation.

Cabinet when making its decision shall have regard to the duty to undertake sustainable development and the five ways of working promoted by the Well-being of Future Generations (Wales) Act 2015. The recommendations if approved will contribute to the 7 well-being goals by ensuring that the Council and its partners work collaboratively to ensure the sustainability and improvement of these leisure/cultural assets to positively benefit present and future citizens and visitors to Swansea.

Background Papers: None.

Appendices: None.

Agenda Item 25.

Report of the Head of Legal, Democratic Services & Business Intelligence

Cabinet – 21 June 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
	25, 26 & 27	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 26.

Yn rhinwedd paragraff(au) 14 Atodlen 12A
o Ddeddf Llywodraeth Leol 1972
fel y'i diwygiwyd gan Orchymyn Llywodraeth Leol (Mynediad at
Wybodaeth) (Amrywiad) (Cymru) 2007.

Document is Restricted

Agenda Item 27.

Yn rhinwedd paragraff(au) 14 Atodlen 12A
o Ddeddf Llywodraeth Leol 1972
fel y'i diwygiwyd gan Orchymyn Llywodraeth Leol (Mynediad at
Wybodaeth) (Amrywiad) (Cymru) 2007.

Document is Restricted

Agenda Item 28.

Yn rhinwedd paragraff(au) 13, 14 Atodlen 12A
o Ddeddf Llywodraeth Leol 1972
fel y'i diwygiwyd gan Orchymyn Llywodraeth Leol (Mynediad at
Wybodaeth) (Amrywiad) (Cymru) 2007.

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