

Council

You are hereby summoned to attend a Meeting of the **Council of the City and County of Swansea** to be held in the Council Chamber - Guildhall, Swansea on Wednesday, 27 November 2019 at 5.00 pm.

The following business is proposed to be transacted:

1. **Apologies for Absence.**
2. **Disclosures of Personal and Prejudicial Interests.**
www.swansea.gov.uk/disclosuresofinterests
3. **Minutes.** 1 - 7
To approve & sign the Minutes of the previous meeting(s) as a correct record.
4. **Written Responses to Questions asked at the Last Ordinary Meeting of Council.** 8 - 9
5. **Announcements of the Presiding Member.**
6. **Announcements of the Leader of the Council.**
7. **Public Questions.**
Questions must relate to matters on the open part of the Agenda of the meeting and will be dealt with in a 10 minute period.
8. **Presentation - None.**
9. **Standards Committee Annual Report 2018-2019.** 10 - 15
10. **Amendments to the Council Constitution.** 16 - 19
11. **Amendments to the Council Constitution.** 20 - 47
12. **Council Tax Base Calculation 2020/2021.** 48 - 52
13. **Treasury Management – Interim Year Review Report 2019/20.** 53 - 73
14. **Independent Remuneration Panel for Wales (IRPW) Draft Annual Report 2020-2021 - Consultation.** 74 - 87
15. **Scrutiny Dispatches – Quarterly Impact Report.** 88 - 94

16. Reimbursement of Costs of Care.

95 - 100

17. Councillors' Questions.

101 - 110

Webcasting: This meeting may be filmed for live or subsequent broadcast via the Council's Internet Site. By entering the Council Chamber you are consenting to be filmed and the possible use of those images and sound recordings for webcasting and / or training purposes.

You are welcome to speak Welsh in the meeting.

Please inform us by noon, two working days before the meeting.

Next Meeting: Thursday, 23 January 2020 at 5.00 pm



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

Monday, 18 November 2019

To: All Members of the Council

Agenda Item 3.



City and County of Swansea

Minutes of the Council

Council Chamber - Guildhall, Swansea

Thursday, 24 October 2019 at 5.00 pm

Present: Councillor D W W Thomas (Chair) Presided

Councillor(s)

C Anderson
J E Burtonshaw
M C Child
J P Curtice
N J Davies
A M Day
P Downing
C R Doyle
M Durke
C R Evans
W Evans
E W Fitzgerald
R Francis-Davies
L S Gibbard
F M Gordon
K M Griffiths
J A Hale
D W Helliwell
T J Hennegan
C A Holley

Councillor(s)

P R Hood-Williams
L James
O G James
Y V Jardine
J W Jones
L R Jones
M H Jones
S M Jones
E J King
E T Kirchner
M A Langstone
A S Lewis
M B Lewis
R D Lewis
W G Lewis
P Lloyd
I E Mann
P N May
H M Morris
C L Philpott

Councillor(s)

S Pritchard
A Pugh
J A Raynor
C Richards
B J Rowlands
M Sherwood
P B Smith
R V Smith
A H Stevens
R C Stewart
D G Sullivan
M Sykes
M Thomas
L G Thomas
W G Thomas
L J Tyler-Lloyd
G D Walker
T M White

Officer(s)

Jeffrey Dong	Deputy Chief Finance Officer / Deputy Section 151 Officer.
Huw Evans	Head of Democratic Services
Adam Hill	Deputy Chief Executive / Director of Resources
Tracey Meredith	Chief Legal Officer / Monitoring Officer

Apologies for Absence

Councillor(s): P M Black, S E Crouch, S J Gallagher, B Hopkins, D H Hopkins, P K Jones, C E Lloyd, P M Matthews, D Phillips, K M Roberts and L V Walton

81. Disclosures of Personal and Prejudicial Interests.

The Chief Legal Officer gave advice regarding the potential personal and prejudicial interests that Councillors and / Officers may have on the agenda.

The Head of Democratic Services reminded Councillors and Officers that the

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

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

- 1) Councillor M C Child declared a Personal and Prejudicial Interest in Minute 91 “Council Tax Premiums in Wales” and withdrew from the meeting prior to its consideration;
- 2) Councillor M Durke declared a Personal Interest in Minute 92 “Councillors’ Questions – Question 3”.

82. Minutes.

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

- 1) Ordinary Meeting of Council held on 26 September 2019.

83. Written Responses to Questions asked at the Last Ordinary Meeting of Council.

The Chief Legal Officer submitted an information report setting out the written responses to questions asked at the last Ordinary Meeting of Council.

84. Announcements of the Presiding Member.

1) Condolences

i) Honorary Alderman Alan Lloyd

The Presiding Member referred with sadness to the recent death of Honorary Alderman, former Councillor, former Lord Mayor and former Mayor Alan Lloyd. Alan is the father of Councillor Clive Lloyd. Alan served the Castle and Townhill communities for nearly 45 years. He served:

- Swansea Borough Council 12 May 1967 to 31 March 1974;
- Swansea City Council 1 April 1974 to 23 February 1984;
- Swansea City Council 22 March 1984 to 31 March 1996;
- City & County of Swansea 4 May 1995 to 3 May 2012.

He served as Mayor of Swansea in 1980-1981 and Lord Mayor of the City and County of Swansea in 2009-2010. He was also Deputy Leader of the Swansea City Council.

Honorary Alderman Alan Lloyd’s funeral will be held at 12.30 on 1 November 2019 at Swansea Crematorium. This will be followed by a wake at the Liberty Stadium.

ii) Condolences - Debbie Hale, Wife of Cllr Joe Hale

The Presiding Member referred with sadness to the recent death of Debbie Hale, wife of Councillor Joe Hale.

Debbie Hale's funeral will be held at 10.00 on 4 November 2019 at Swansea Crematorium. This will be followed by a wake at the Swansea Dockers Club, St Thomas.

iii) Stephen Richards, Son of Former Councillor Alan Richards

The Presiding Member referred with sadness to the recent death of Stephen Richards, son of former Councillor Alan Richards. Alan Richards represented the St Thomas Electoral Ward on the City & County of Swansea and the former Swansea City Council.

iv) Doreen Morris, Wife of Former Councillor Arthur Morris

The Presiding Member referred with sadness to the recent death of Doreen Morris, wife of former Councillor Arthur Morris. Arthur Morris represented the former St John's Electoral Ward on West Glamorgan County Council.

v) Brian Walters, Former Political Correspondent with the South Wales Evening Post (SWEP)

The Presiding Member referred with sadness to the recent death of Brian Walters, Former Political Correspondent with the South Wales Evening Post (SWEP).

All present stood as a mark of sympathy and respect.

2) Waste Management – Winner of a National APSE Award

The Presiding Member announced that the Waste Management Service have won a national Association for Public Service Excellence (APSE) Award. The Service won the "Best Workforce Initiative". This relates to the Council's Waste Management Trainee Partnership which is in its second year. All ten of the Year 1 Trainees passed the Traineeship with an NVQ Level 2 and were slotted into full time permanent posts. There are currently a further 13 Year 2 Trainees spending time working in a variety of aspects of Waste Management to gain a wide ranging knowledge of the service to provide a workforce with a broad and deep understanding of their roles.

Fran Williams from the Waste Management Service was present to receive the award.

3) Race Council Cymru - Diversity Mover, Shaker & Legacy Maker Award 2019

The Presiding Member announced that at the recent Black History Month family day celebration, Chris Mellor of Leisure Services was presented with Race Council Cymru – Diversity Mover, Shaker & Legacy Maker Award. The

award is for people who make a big difference to our diverse communities and Chris was recognised for the development of the Culture and Digital Hub at the Theatre; bringing 17 partners together in delivering our Diversity Pledge; enabling communities to develop their creative and digital skills, creating opportunities and a safe place to express them.

Chris Mellor was present to receive the award.

4) Councillor Will Thomas - Berlin Marathon 2019

The Presiding Member congratulated Councillor Will Thomas for recently completing the Berlin Marathon in a fantastic time of 3 hours, 41 minutes and 54 seconds.

85. Announcements of the Leader of the Council.

1) Giant Redwood Chopped Down by a Developer at Penllergaer

The Leader of the Council congratulated the Chief Legal Officer, her Legal Team and all involved in the successful prosecution against the developer that chopped down a 200 year old giant redwood in Penllergaer.

2) Parc y Werin Primary School

The Leader of the Council congratulated the Chief Legal Officer, her Legal Team and all involved in preventing the challenge to prevent the Parc y Werin Primary School being built.

3) Flooding throughout Swansea

The Leader of the Council thanked all Officers for their excellent work in combating flooding during the recent period of adverse weather.

4) Swansea Bay City Region Deal

The Leader of the Council stated that the Terms of reference of the City Deal had recently been released which should lead to the release of City Deal monies in due course.

86. Public Questions.

A number of questions were asked by members of the public in relation to:

- Minute 91 "Council Tax Premiums in Wales";
- Minute 92 "Councillors' Questions (Question 1, Home Farm);
- Minute 93 "Notice of Motion on Carbon Based Investments".

The relevant Cabinet Member(s) responded.

No questions required a written response.

87. Presentation - None.

A presentation was not received.

88. Audit Committee Annual Report 2018/19.

The Chair of the Audit Committee, Paula O'Connor submitted the Audit Committee Annual Report 2018-2019 for information. The report set out the work of the Audit Committee during that period.

The Vice Chair of the Audit Committee, Councillor P R Hood-Williams presented the report.

89. Scrutiny Annual Report 2018/19.

The Chair of the Scrutiny Programme Committee, Councillor M H Jones presented the Scrutiny Annual Report 2018-2019 for information. The report set out the work of the Scrutiny Programme Committee during that period.

90. Review of Revenue Reserves.

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

Resolved that:

- 1) The recommendations made within the report at Sections 3.11 and 3.12 be considered and approved.

91. Council Tax Premiums in Wales.

The Chief Finance Officer & Section 151 Officer submitted a report, which provided information and sought consideration whether to continue to allow 50% Council Tax discounts on unoccupied and unfurnished properties after any statutory period of exemption expires.

The report also provided information and sought consideration of the discretionary powers to charge higher amounts of Council Tax (premiums) on certain properties provided for by the Housing (Wales) Act 2014.

Resolved that:

- 1) The details of the discretionary powers relating to Council Tax premiums, discretionary discounts for unoccupied and unfurnished dwellings and the related issues outlined in this report be noted;
- 2) The outcome of the consultation exercise undertaken by the Council in July and August 2019 be noted;

- 3) In accordance with Section 11 of the Local Government Finance Act 1992 that the Council ceases to allow a 50% Council Tax discount on dwellings that remain unoccupied and unfurnished after any statutory period of exemption has expired and from 1 April 2020 ceases to allow such discounts;
- 4) In accordance with S139 Housing (Wales) Act 2014 (which amended the Local Government Finance Act 1992) that the Council considers exercising its discretion on whether to charge Council Tax premiums of up to 100% of the standard rate of Council Tax on long term empty dwellings and second homes and:
 - i) From 1 April 2020 for dwellings in its area that have been unoccupied and unfurnished for more than 12 months (long term empty properties) under Section 12A of the Local Government Finance Act 1992 determines to charge a premium of 100% on top of the standard rate of Council Tax;
 - ii) From 1 April 2021 for dwellings in its area that are occupied periodically (commonly referred to as "second homes") under Section 12B of the Local Government Finance Act 1992 determines to charge a premium of 100% on top of the standard rate of Council Tax.
- 5) Should the Council determine to charge Council Tax premiums, an additional full time Council Tax Property Inspector be employed on a permanent basis to support compliance measures and a new full time post of Council Tax Premiums Officer be created for a temporary period (up to 2 years) to manage the implementation of the premiums. Both posts to be funded from the additional revenue raised from charging Council Tax premiums.

92. Councillors' Questions.

1) Part A 'Supplementary Questions'

Six (6) Part A 'Supplementary Questions' were submitted. The relevant Cabinet Member(s) responded by way of written answers contained in the Council Summons.

Those supplementary question(s) required a written response are listed below:

Question 1

Councillor C A Holley asked the relevant Cabinet Member:

"Can you please share the Terms of Reference of the Grant for the Palace Theatre and does the grant relating to the Palace Theatre include the land around the Palace Theatre or only the Palace Theatre itself?"

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

Question 2

Councillor J W Jones asked the relevant Cabinet Member:

“The response shows that 2 suppliers have gone into administration since April 2018. What financial cost has this had on the Authority?”

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

Question 2

Councillor C L Philpott asked the relevant Cabinet Member:

“I am concerned at the recent works at Clyne Court. Can the relevant Cabinet Member outline the actions taken to rectify the issues and the lessons learnt from the works?”

The Homes, Energy & Service Transformation Cabinet Member stated that she would arrange a meeting with Councillor C L Philpott to discuss the issues.

2) Part B ‘Questions not requiring Supplementary Questions’

Four (4) Part B ‘Questions not requiring Supplementary Questions’ were submitted.

93. Notice of Motion on Carbon Based Investments.

Proposed by Councillor C A Holley and Seconded by Councillor R C Stewart.

“We understand the great strides which our pension fund has made to divest from carbon based investments.

Congratulations are in order for the award which was announced in the Evening Post Monday 23rd September 2019 for the work carried out by Officers and the Members on the fund.

We therefore ask the Cabinet Member to report in the next 6 months to what action we are taking to remove ourselves from carbon based investments.”

Resolved that:

- 1) The Notice of Motion be approved.

The meeting ended at 6.50 pm

Chair

Agenda Item 4.



Report of the Chief Legal Officer

Council – 27 November 2019

Written Responses to Questions asked at the Last Ordinary Meeting of Council

The report provides an update on the responses to Questions asked during the Ordinary Meeting of Council on 24 October 2019.

For Information

1. Introduction

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

2. Responses

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

Background Papers: None

Appendices: Appendix A (Questions & Responses)

**Providing Council with Written Responses to Questions asked at Council
24 October 2019**

1.	<p>Councillor C A Holley</p> <p>In relation to Minute 92 – “Councillor Questions” – Question 1</p> <p>Can you please share the Terms of Reference of the Grant for the Palace Theatre and does the grant relating to the Palace Theatre include the land around the Palace Theatre or only the Palace Theatre itself.</p> <p>Response of the Leader</p> <p>I can confirm that the grant is only applicable to the redevelopment of the Palace Theatre building itself. We are yet to see the terms and conditions for the grant award as this will only be available upon full approval.</p> <p>Welsh Government Ministers are considering a Brexit stimulus grant and Town and City grant which may be usable in the wider area in and around The Palace.</p>
2.	<p>Councillor J W Jones</p> <p>In relation to Minute 92 – “Councillor Questions” – Question 2</p> <p>The response shows that 2 suppliers have gone into administration since April 2018. What financial cost has this had on the Authority.</p> <p>Response of the Leader</p> <p>The schemes affected by the two contractors who have gone into administration have not yet been completed. Arrangements have been made by the Council to engage alternative contractors following detailed consideration of options available and their financial implications.</p> <p>All contract awards to complete these schemes comply with the Council’s Contract Procedure Rules and where permitted, detail of the respective awards and their financial implications have been published.</p> <p>However the full cost of the schemes and the financial impact on the Council, if any, will not be known until such time as the schemes are complete, any defects are corrected, third party claims are settled and claims are made against the administrators and/or any performance bonds.”</p> <p>It is also important to state that the Council acted swiftly and decisively in procuring replacement contactors in both instances which will have minimised both costs and any disruption to residents and tenants of the council. In addition it has also worked with the new contactors to protect the supply chain and payments as far as had been possible</p>

Agenda Item 9.



Report of the Chair of the Standards Committee

Council – 27 November 2019

Standards Committee Annual Report 2018-2019

Purpose: This report sets out the work of the Standards Committee 2018-2019.

Report Author: Huw Evans

Finance Officer: Ben Smith

Legal Officer: Tracey Meredith

Access to Services Officer: N/A

For Information

1. Introduction

- 1.1 The Local Government Act 2000 requires the Council to establish a Standards Committee to promote and maintain high standards of conduct and probity in the conduct of Councillors of the City and County of Swansea. The Standards Committee has been in operation since October 2000.
- 1.2 This Standards Committee Annual Report covers the period from 24 May 2018 to 22 May 2019.

2. Membership of Standards Committee

2.1 The Standards Committee consists of 9 members:

- 5 x Independent (Co-opted) Members;
- 3 x Councillors of the City and County of Swansea;
- 1 x Community / Town Councillor.

2.2 Membership of the Standards Committee during the period:

Independent Members
Jill Burgess
Gareth Evans
Michaela Jones

Mike Lewis
Margaret Williams

Community / Town Councillor
Philip Crayford

Councillors
Joe A Hale
Mike B Lewis
L Graham Thomas

3. Terms of Office - Independent Members of the Standards Committee

- 3.1 The term of office for Independent Members can be for not less than 4 years and for no more than 6 years. They can be reappointed for one further consecutive term but that term cannot be for more than an additional four years.
- 3.2 The table below shows the dates of commencement and subsequent expiry dates of membership for all Independent (Co-opted) Members of the Standards Committee. **Note:** Independent Members marked in *italics* and with “*” denotes that they are in their second term and cannot have their term extended further.

Independent Members	Appointment Terms	
	Start	End
Jill Burgess*	19.10.2012	18.10.2018
	Re-appointed to	18.10.2022
Gareth Evans	01.04.2015	31.03.2021
Michaela Jones	01.10.2017	30.09.2023
Mike Lewis	01.10.2017	30.09.2023
Margaret Williams	01.04.2015	31.03.2021

4. Term of Office - Community / Town Council Member of the Standards Committee

- 4.1 The term of office shall be no more than 4 years or until the Ordinary Election for the Community Council of which the Community Councillor is a member, whichever is the shorter. They may be re-appointed once.
- 4.2 A Community / Town Council member shall not take part in the proceedings of the Standards Committee when matters relating to their Community / Town Council are being considered.

Community / Town Council Member	Appointment Terms	
	Start	End
Philip Crayford*	05.10.2012	04.05.2017
	Re-appointed	LGE 2022

5. Meetings of the Standards Committee

5.1 The Standards Committee met three times during the period as follows:

20 July 2018	16 November 2018
7 February 2019 (Special)	

6. Detail of the Work undertaken by the Standards Committee

6.1 The following paragraphs set out the work carried out by the Standards Committee during the reporting period.

6.2 Requests for Dispensation

6.2.1 The Committee considered requests for dispensation from 2 Councillors.

6.3 Public Services Ombudsman for Wales (PSOW) Annual Report and Accounts 2017-2018

6.3.1 The Committee discussed the report, which set out performance over the year including both complaints about public service providers as well as code of conduct complaints.

6.3.2 The Committee had regular briefings from the Monitoring Officer on cases which the PSOW had dealt with and which were reported in either the PSOW Casebook or the Adjudication Panel for Wales publications. The Monitoring Officer was also asked to liaise with the PSOW as the Committee felt that some reported cases lacked sufficient detail to understand the rationale for the PSOW not investigating.

6.3.3 In addition, the Committee discussed whether there was a role for the Standards Committee to assist in cases where Councillors who had been found to have breached the code of conduct but where the PSOW had decided to take no further action.

6.4 Annual Meeting with Political Group Leaders, Chairs of Committees and Chief Executive

6.4.1 The Standards Committee invite each Political Group Leader, the Chief Executive and a selection of Chairs to attend the Committee to seek their understanding and opinions on the work of the Committee.

6.4.2 The Leader of the Largest Opposition Group, Councillor C A Holley and the Leader of the Conservative Group were interviewed on 20 April 2018 which was in the previous Annual Reporting Year; however they were asked the same questions.

6.4.3 The Committee continued their discussions with the Political Group Leaders, Chairs of Committees and Chief Executive at the meetings held on 20 July 2018 and 16 November 2018.

6.4.4 The Committee interviewed Councillors Peter Black, Chair of Democratic Services Committee, Penny Matthews, Chair of General and Statutory Licensing Committee and Phil Roberts, Chief Executive.

6.4.5 The themes for discussion, which had been circulated in advance were as follows:

- 1) Do you consider that it is still appropriate to have a Code of Conduct in Wales, which applies to all councillors and co-opted members?
- 2) What do you understand the role of the Standards Committee to be?
- 3) Is there any work you feel the Standards Committee should be undertaking over the next year?
- 4) How can Political Group Leaders / Committee Chairs promote standards and good governance through Leadership?
- 5) How can the Standards Committee become more active in promoting ethical conduct among Councillors / Co-opted Members?
- 6) The Ombudsman, Adjudication Panel for Wales and the High Court has taken a view on politicians (and in some cases senior officers) having a “thick skin” and on political banter being part of the political landscape. What are your own views and how would you as a Political Group Leader ensure that the line is not crossed?
- 7) What are your views on the Authority’s Code of Conduct training? How could it be improved so as to raise the ethical standards of Councillors / Co-opted Members?
- 8) Training for Councillors / Co-opted Members is vitally important. How can the Standards Committee tackle those that do not see training as important?
- 9) The Authority’s Internal Dispute Resolution Process (IDRP)(Cllr v Cllr) has not yet been utilised. In the event of a dispute will you be encouraging your party to use the process? Do you consider the lack of referrals to the IDR demonstrates that councillors are behaving within the Code?
- 10) What is the future role of the Standards Committee?

6.4.6 The Committee welcomes these discussions and is very interested to hear the views and suggestions of all those invited to the sessions. The Committee feels that these sessions reinforce the role of Group Leaders and Committee chairs in ensuring good behaviour and compliance with the Code by all councillors. The Committee are not aware of any other standards committee who undertake a similar exercise and look forward to these informative sessions continuing.

6.5 Complaints of Breach of the Code of Conduct

6.5.1 During the period 1 April 2018 to 31 March 2019 the following matters were reported to the Standards Committee for information:

a) Complaints made but not investigated by the Ombudsman under the provisions of Section 69(2) of the Local Government Act 2000

There were five cases where the Ombudsman decided not to investigate an alleged breach of the Code of Conduct following a complaint.

b) Investigations completed by the Ombudsman where the decision was no evidence of breach or no action taken

There was one case where the Ombudsman investigated but found that there was no evidence of any failure to comply with the Code of Conduct.

c) Investigations undertaken by the Ombudsman where the decision was to discontinue the investigation

There were no cases where the Ombudsman had commenced an investigation and subsequently decided to discontinue that investigation.

d) Investigations under the provisions of Section 70 (4) of the Local Government Act 2000 – referred to the Standards Committee for consideration

Breaches of the Code of Conduct may be referred to the Monitoring Officer by the Ombudsman under the provisions of Section 69 (c) and 71(2) of the Local Government Act 2000 for consideration by the Standards Committee. Where there is a finding of a breach, public reports on such cases are published on the Council's website.

No such referrals have been received during the period of this report.

The Standards Committee were pleased to note that there were no referrals to the Standards Committee for consideration of breach of the Code of Conduct by Swansea Councillors. They also noted that the Member Dispute Resolution Protocol was not utilised to address any member/member disputes during the year.

6.6 Reports "For Information"

6.6.1 A number of reports were noted by the Committee, including the Ombudsman's Code of Conduct Casebook, Adjudication Panel for Wales decisions and the Standards Committee Annual Report 2017-2018.

6.7 Standards Conference Wales 2018

6.7.1 The Standards Conference was held at Aberystwyth University on 14 September 2018. Jill Burgess, Michaela Jones and Mike Lewis, Independent Members, attended and heard presentations by the Ombudsman, Nick Bennett and the President of the Adjudication Panel, Claire Sharp. They each undertook a number of useful workshops provided on the day.

7. 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.

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

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

8. Financial Implications

8.1 There are no financial implications associated with this report.

9. Legal Implications

9.1 There are no legal implications associated with this report.

Background Papers: None.

Appendices: None.

Agenda Item 10.



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

Council – 27 November 2019

Amendments to the Council Constitution

Purpose:	To make amendment, in order to simplify and improve, the Council's Constitution.
Policy Framework:	Council Constitution.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The amendments as outlined in Paragraphs 4.2 & 5.2 of this report be adopted.
Report Author:	Huw Evans
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar

1. Introduction

1.1 In compliance with the Local Government Act 2000, the City and County of Swansea has adopted a Council Constitution. From time to time it is necessary to review the Constitution to ensure good governance arrangements.

2. Delegated Minor Corrections to the Council Constitution

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

3. Amendments to the Council Constitution

3.1 The amendments are within the following area of the Council Constitution:

- a) Part 3 “Responsibility for Functions” – Terms of Reference;
- b) Part 4 “Rules of Procedure” – Land Transaction Procedure Rules.

4. Part 3 “Responsibility for Functions” – Chief Executive’s Appraisal & Remuneration Committee Terms of Reference

4.1 Council at its meeting on 21 August 2018 appointed the Deputy Chief Executive / Director of Resources. At that meeting, it was stated that the Chief Executive’s Appraisal & Remuneration Committee would be involved in the appraisal of that post. It should also be noted that the Chief Executive is not subject to salary banding increments or performance related pay and therefore the old paragraph b) has been removed. However the Deputy Chief Executive is subject to such increments and this has been added to the new paragraph b) as set out below.

4.2 It is therefore proposed to amend the Terms of Reference of the Chief Executive’s Appraisal & Remuneration Committee as follows:

“This Committee is exempt from the Committee Balance Rules in order to allow the following membership:

- *Leader & Deputy Leader of the Ruling Group;*
 - *Leader and Deputy Leader of Largest Opposition Group;*
 - *Leader only of other Political Groups;*
 - *3 other Councillors from the Ruling Group.*
- a) *Responsible for the Performance Appraisal and objective setting of the Chief Executive.*
 - b) *Assisting the Chief Executive in the annual appraisal of the Deputy Chief Executive and endorsing the objectives set for the Deputy Chief Executive and agreeing the Deputy Chief Executive’s salary banding for performance related pay.*

Note:

Where the Authority proposes to appoint a Chief Officer or Deputy Chief Officer, and the remuneration which it proposes to pay to the chief officer is £100,000 or more per annum, it must:

- i) *Draw up a statement specifying:*
 - *The duties of the officer concerned, and*
 - *Any qualifications or qualities to be sought in the person to be appointed.*
- ii) *Make arrangements for the post to be publicly advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and*
- iii) *Make arrangements for a copy of the statement mentioned in a) to be sent to any person on request.*

The Authority is not required to publicly advertise, if it proposes to appoint the Chief Officer for a period of no longer than 12 months.”

5. Part 4“Rules of Procedure” - Land Transaction Procedure Rules

5.1 Appendix 1 "Concessionary Letting Policy" of the Land Transaction Procedure Rules sets out the financial levels which trigger certain actions in relation to Land Transaction.

5.2 A number of these financial limits are require clarity and it is therefore proposed to amend Paragraphs 3 and 4 of Appendix 1 “Concessionary Lettings Policy in order to provide such clarity. The suggested amendments are shown in bold:

“3 *The General Disposal Consent (Wales) 2003 Order came into force on 31 December 2003. This Order removed the former requirement for the Council to seek a specific consent for a disposal at an undervalue where the Council considers that the disposal is in the interests of the economic, social or environmental well-being of the whole or part of its area, or any or all persons resident or present in its area and the undervalue is **up to and including** £2,000,000 or less*

4 *Under the Council’s Constitution a Responsible Officer has delegated authority to exercise functions for which he or she has budgetary, managerial, operational or statutory authority provided that the Cabinet does not itself make a decision in a particular case. At present, the exercise of the executive functions by an Officer in relation to estate management on the disposal of a freehold or leasehold interest is limited up to **and including** £500,000.”*

6. Financial Implications

6.1 There are no financial implications associated with this report.

7. Legal Implications

7.1 There are no legal implications associated with this report.

8. Equality and Engagement Implications

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

Background Papers: None.

Appendices: None.

Agenda Item 11.



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

Council – 27 November 2019

Amendments to the Council Constitution

Purpose:	To make amendment, in order to simplify and improve, the Council's Constitution - specifically the 'Contract Procedure Rules' and the associated elements in the Scheme of Delegation in Part 3, Section 1, Paragraph 6 ' <i>Limits on the Exercise of Executive Function</i> '.
Policy Framework:	Council Constitution.
Consultation:	Access to Services, Finance, Legal, Constitution Working Group.
Recommendation(s):	It is recommended that: 1) The amendments as outlined in Appendix A of this report be adopted.
Report Author:	Chris Williams
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Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar

1. Introduction

1.1 In compliance with the Local Government Act 2000, the City and County of Swansea has adopted a Council Constitution. From time to time it is necessary to review the Constitution to ensure good governance arrangements.

2. Amendments to the Council Constitution

2.1 The amendments are within the following area of the Council Constitution:

- a) Part 4 “Rules of Procedure” - Contract Procedure Rules.
- 2.2 A tracked changes version of the new Contract Procedure Rules is not provided due to the number of incremental changes made thus rendering such a version illegible (so an updated version is provided in **Appendix A**), but please see the existing rules for review and comparison at - <http://www.swansea.gov.uk/staffnet/financialprocedurerules>
- 2.3 In paragraph 1.7 above it notes that Part 3, Section 1, paragraph 6 of the Constitution relating to the ‘*Limits on the Exercise of Executive Function*’ is amended to ensure coherence with the new rules. It is recommended that sections c, d and h are removed with the rest of the text to remain (see Appendix B below providing the relevant text for consideration).

3. Contract Procedure Rules

- 3.1 A number of amendments are proposed to the Council Constitution, specifically the ‘contract procedure rules’ which are a component of Council governance (**Appendix A**) and required by the Local Government Act and the associated elements within the Scheme of Delegation, Part 3, Section 1, paragraph 6 ‘*Limits on the Exercise of Executive Function*’ (**Appendix B**).
- 3.2 The purpose of the Council’s Contract Procedure Rules are to provide a governance framework for the way in which the Council spends public money with its suppliers (through procurement activity), therefore, it can be said that these rules exist to facilitate a number of core outcomes, including:
- Value for money, so to ensure commercial decision-making and maximising the value of the Council’s funds;
 - The prevention of fraud or favouritism in spending decisions by ensuring a standard system for decision-making, creating a clear set of rules to monitor and assess all decisions taken and thus ensure public trust in the governance of the Council;
 - To maximise the benefit of the Council’s procurement activity to the wider stakeholders of the City and County of Swansea, for example by identifying community benefits or facilitating the use of local suppliers;
 - To ensure compliance with the Council’s legal obligations, e.g. by ensuring fair and open competition for receipt of public funds.
- 3.3 These Contract Procedure Rules were in the process of being updated when the Council’s ‘*Future Council and Transformation Policy Delivery and Development Committee*’ was established, which took particular interest in

this matter. Its vision and suggestions have been integrated into these revised Rules.

- 3.4 The wider Council Constitution has also been reviewed to ensure coherence with the proposed new contract procedure rules and Part 3, Section 1, paragraph 6 '*Limits on the Exercise of Executive Function*' has been found to contain elements which overlap with the new Contact Procedure Rules. It is recommended therefore that Part 3, Section 1, paragraph 6 is changed to ensure all rules relating to the awarding of contracts are now located in one area of the Constitution, i.e. in the new contact procedure rules (for further detail please see below).
- 3.5 The Constitution Working Group at its meeting on 22 October 2019 reviewed the proposals as outlined in the Appendices of this report and recommend their adoption by Council (**Appendix A** – Revised Contract Procedure Rules).

4. Financial Implications

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

5. Legal Implications

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

6. Equality and Engagement Implications

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

Background Papers: None

Appendices:

Appendix A - Draft Contract Procedure Rules;

Appendix B - Changes to the Limit on Exercise of Executive Functions.

Draft Contract Procedure Rules ('CPR')

Definitions

Except where the context otherwise requires, the terms listed below shall have the following meanings assigned to them. The term 'person' shall include persons and anybody of persons, corporate or non-corporate.

'Agent'

Any person acting on the Council's behalf.

'Authorised Officer'

An officer of the Council authorised by a Responsible Officer to exercise some of the powers set out in these CPR.

'Award Criteria'

The criteria as defined in CPR 13 used to evaluate Tenders or Quotations or the terms of a Framework Agreement used to award a Contract under that Framework Agreement.

'Bidder'

Any person who has submitted to the Council a Tender or Quotation.

'Cabinet'

The Cabinet of the Council of the City and County of Swansea.

'Cabinet Member'

A member of the Cabinet.

'Call-Off Contract'

A Contract awarded under a Framework Agreement.

'Chief Finance Officer'

The person designated by the Council to act in this role.

'Chief Legal Officer'

The person designated by the Council to act in this role.

'Chief Social Services Officer / Director of Social Services'

The person designated by the Council to act in this role.

'Closing Date'

The time limit specified in the Procurement Documents for the submission of Quotations or Tenders (or any later time limit that is notified to all Bidders where such notification is provided before the previous Closing Date).

'Commercial Manager'

The person designated by the Council to act in this Role.

'Consultant'

A person engaged to advise the Council.

‘Contract’

A legally binding agreement between the Council and one or more third parties for the supply of goods, provision of services or execution of works (or a combination of these), whether the Council is acting as contractee or as a contractor to any external person and whether payment is to be made or received by the Council. Unless otherwise stated, or unless the context explicitly requires otherwise, the term ‘Contract’ shall also refer to a Framework Agreement and a Dynamic Purchasing System.

‘Contract Award Report’

A report produced in a standard form (available from Staffnet and Procurement), detailing the Procurement Process adopted and the recommendation for award relating to a particular Contract, Framework Agreement or Dynamic Purchasing System.

‘Contract Manager’

An Officer assigned by the Responsible Officer to conduct Contract Management.

‘Contract Management’

The process undertaken by Contract Managers to ensure that risk and cost are managed within the terms of a Contract, and that the intended outcomes of a Contract are delivered.

‘Contractor’

Any person awarded a Contract by the Council.

‘Contract Value Bands’ and ‘Bands’

Contract value ranges as defined in CPR 4 for the purpose of determining the procedures relating to each Procurement Process.

‘Corporate Agreement’

A Contract, Framework Agreement or Dynamic Purchasing System made by the Council or an external organisation which serves, or is capable of serving, the purposes of more than one department of the Council.

‘The Council’

The Council of the City and County of Swansea.

‘Dynamic Purchasing System’

A procurement system that is identical to a Framework Agreement, except that it shall be open throughout the full period of its operation to any Supplier that satisfies defined Pre-Qualification Criteria. Dynamic Purchasing Systems shall be awarded and operated in accordance with CPR 9.4 to 9.8.

‘Electronic Sourcing System’

An electronic system, approved for use by Officers by the Head of Commercial Services.

‘Electronic Tenders’

Tenders received by the Electronic Sourcing System.

‘EU Thresholds’

The threshold amounts applicable to Contracts for goods, services and works as defined in regulation 5 of the Public Contracts Regulations. A Contract of a value estimated to be in excess of the relevant threshold shall be subject to these regulations.

‘Evaluation Panel’

A meeting of a group of officers to consider a Contract Award Report, convened on the instruction of the Head of Commercial Services in accordance with CPR 18.6 and 18.11. Evaluation Panels shall be assembled by the Authorised Officer or the Responsible Officer in accordance with CPR 18.17 to 18.19.

‘Finance Officer’

A representative of the Chief Finance Officer.

‘Framework Agreement’

An agreement between the Council and one or more Suppliers which establishes the terms under which the Suppliers will enter into one or more Contracts with the Council in the period during which the framework agreement applies. Framework Agreements can be established by the Council or another public body.

‘Head of Commercial Services’

The person designated by the Council to act in this role.

‘Internal Audit’

The Council’s Internal Audit Service Unit.

‘Invitation to Tender’

A set of documents constituting a formal invitation, from the Council to one or more suppliers, to submit a legally binding offer.

‘Invitation to Quote’

A set of documents constituting a formal invitation, from the Council to one or more suppliers, to submit a legally binding offer.

‘Legal Officer’

A representative of the Chief Legal Officer.

‘Local Area’

As defined in CPR 14.6.

‘Member’

A Member / Councillor of the Council of the City and County of Swansea.

‘Monitoring Officer’

The person designated by the Council to act in this role.

‘Officers’

A duly appointed employee of the Council.

‘Pre-Qualification Criteria’ and ‘Pre-Qualification Questions’

Questions designated for the purpose of assessing the suitability of Suppliers to be invited to submit a Tender or Quotation or to be awarded a Contract.

‘Pre-Qualification Documents’

Documents consisting of Pre-Qualification Questions.

‘Procurement Documents’ and ‘Procurement Documentation’

The documents constituting an Invitation to Quote or an Invitation to Tender. This shall include Pre-Qualification Documents.

‘Procurement Notification Form’

A document in a standard form (available from Staffnet) submitted by the Authorised Officer or the Responsible Officer to the Head of Commercial Services in accordance with CPR 5, which sets out the details of a proposed Procurement Process and must be approved by the Head of Commercial Services prior to the commencement of the Procurement Process.

‘Procurement Officer’

A representative of the Head of Commercial Services.

‘Procurement Process’

A process undertaken with the aim of awarding a Contract.

‘Public Contracts Regulations’

The Public Contracts Regulations 2015, including any existing or future amendments.

‘Quotation’

A formal response to an Invitation to Quote received by the Council from a Bidder.

‘Responsible Officer’

An officer with budgetary, statutory or operational responsibility (at Head of Service level) or any Officer duly authorised by this person.

‘Sales and Tenders Proforma’

A document in a standard form (available from Staffnet) submitted by the Authorised Officer or the Responsible Officer to the Head of Commercial Services in accordance with CPR 1.14 to 1.17, which sets out details of a proposed Trade Exchange or Contract regarding advertising, sponsorship or promotions, or a proposed offer for a contract to be awarded by an external organisation.

‘School With a Delegated Budget’

A school where the governing body of the school is entitled to manage the school’s budget share.

‘Spending Restrictions’

A document published by the Council setting out specific instructions designed to control expenditure across the Council.

‘Trade Exchange’

An exchange of services or products, in lieu of a cash or invoice transaction.

‘Sell2Wales Website’

www.sell2wales.gov.wales

‘Staffnet’

The Council’s intranet.

‘Suppliers’

Any person or public entity or group of such persons and entities, which offers the supply of goods, the provision of services or the execution of works.

‘Tender’

A formal response to an Invitation to Tender received by the Council from a Bidder.

‘Value for Money’

The optimum balance of price, quality and risk.

‘Waivers/Waiver Application’

An application in a standard form to waive one or more CPR submitted in accordance with CPR 8 (Waivers) to the Head of Commercial Services.

‘Written’ or ‘in Writing’

Information conveyed in hard-copy (paper) or electronically transmitted documents. This shall not include the transmission of information via mobile telephone text messages, social media outlets or Skype for Business.

DRAFT

1. Scope of Contract Procedure Rules

Officer responsibilities

- 1.1 Officers responsible for purchasing goods, services or works must comply with these Contract Procedure Rules ('CPR'), Financial Procedure Rules ('FPR') and all UK and EU legislative requirements. Officers must ensure that any Agents and Consultants also comply.
- 1.2 These CPR do not apply to any Contract awarded by persons employed by a School with a Delegated Budget, who must comply instead with 'Contract Procedure Rules for School Governing Bodies with Delegated Budgets'.
- 1.3 These CPR apply equally to Members when they are spending Council funds.
- 1.4 No Contract shall be let unless the expenditure involved has been included in approved capital or revenue budgets and any relevant policies have been complied with, or has been otherwise approved by or on behalf of the Council.
- 1.5 Officers must:
 - (a) check with a Procurement Officer whether a suitable Corporate Agreement exists before seeking to award a Contract;
 - (b) keep the records required (please see paragraph 23 of these Contract Procedure Rules (CPR));
 - (c) take all necessary commercial, technical, legal and financial advice (officers must seek the advice of a Procurement Officer if required).
- 1.6 If the employment status of any employee of the Council or of a Contractor may be affected by any action in relation to the award or termination of any Contract, Officers must seek advice from the Chief Legal Officer as to the application of the Transfer of Undertaking (Protection of Employment) Regulations to those actions. This must, wherever possible, be undertaken prior to inviting Tenders or Quotations.

The Public Contracts Regulations

- 1.7 In respect of Contracts with a value estimated to be equal to or greater than the relevant EU Threshold, the Public Contracts Regulations shall take precedence over these CPR.
- 1.8 EU Thresholds vary from time-to-time. Officers unaware of current EU Thresholds shall verify these with a Procurement Officer prior to commencing any Procurement Process.

Grant funding conditions

- 1.9 Where a proposed Contract is to be financed, wholly or partly, by a grant offered by any organisation or person external to the Council, Officers must comply with any and all conditions attaching to the grant prior to accepting the grant or commencing any Procurement Process.

Exclusions

1.10 These CPR apply in all but the following cases:

- (a) contracts of employment which make an individual a direct employee of the Council (this shall not include agreements for the provision of agency staff or consultants);
- (b) agreements regarding the acquisition, disposal, or transfer of land (for which Land Transaction Procedure Rules shall apply);
- (c) advice or instruction of counsel but no instructions will be permitted without prior approval from the Chief Legal Officer;
- (d) the engagement of costs draughtsmen or expert witnesses within or in the contemplation of legal proceedings;
- (e) the engagement of designated artists, performers, productions for public entertainment purposes or items of art for public display;
- (f) transactions made in relation to investments and borrowings made by the Chief Finance Officer including those related to the Pension Fund;
- (g) arrangements for the supply of goods/ provision of services/ execution works by one Council department to another (i.e. internally);
- (h) contracts awarded to any wholly owned 'arm's length' trading companies established by the Council, where it is legally permitted to do so;
- (i) contracts awarded to any organisation defined within regulation 12 of the Public Contracts Regulations ('TECKAL organisations');
- (j) the purchase of professional membership fees and any training specifically required to attain a professional membership (this shall not include any training required to continue or renew a professional membership except where this is explicitly conditional on the engagement of a specific Supplier/s);
- (k) the payment of membership fees to professional bodies;
- (l) at the discretion of the Director of Social Services only (with the Director to maintain the appropriate records for audit purposes) —
 - i. where the decision to award a social care Contract has been made on the Council's behalf (e.g. a court directed order);
 - ii. the award of an emergency social care Contract and/or individual placement if it is considered to be in the interest of the Council or necessary to meet its obligations under relevant legislation and demonstrates Value for Money.
 - iii. residential and nursing care contracts which the Council has a duty to provide if it is considered to be in the interest of the Council or necessary to meet its obligations under relevant legislation and demonstrates Value for Money.

1.11 For the avoidance of doubt, unless a proposed Contract relates to one or more of the exclusions specified in CPR 1.10, Officers must assume that the Contract is subject to the full extent of these CPR. Where in doubt, Officers must seek the advice of a Procurement Officer.

1.12 Where a requirement for goods, services or works may be met internally (i.e. provided by one Council department to another), the internal provider/s must be used unless specifically agreed with the appropriate Director and the Head of Commercial Services.

Disposal of assets

- 1.13 For procedures relating to the disposal of assets (excluding land and buildings which are dealt with by the Council's Land Transaction Procedure Rules), Officers must refer to Financial Procedure Rules.

Submitting offers for Contracts awarded by external organisations

- 1.14 Officers shall not submit an offer (for example, a tender) for a Contract to be awarded by any organisation external to the Council without the prior approval of the Head of Commercial Services.
- 1.15 For the purposes of CPR 1.14, the Authorised Officer or the Responsible Officer must submit a Sales and Tenders pro forma to the Head of Commercial Services for approval prior to submitting any offer.

Contracts for sponsorship, advertising and promotions

- 1.16 Officers shall not enter into a Trade Exchange or into any Contract regarding advertising, sponsorship or promotions of a value up to £140,000 without the prior approval of the Commercial Manager. Where the value exceeds £140,000, officers must obtain the approval of the Head of Commercial Services.
- 1.17 For the purposes of CPR 1.16, the Authorised Officer or the Responsible Officer must submit a Sales and Tenders pro forma to the Commercial Manager and or the Head of Commercial Services (where required) for approval prior to entering into any agreement.

2. Conflicts of interest

- 2.1 Responsible Officers shall take appropriate measures to prevent, identify and remedy conflicts of interest arising in the conduct of Procurement Processes or Contract Management. Conflicts of interest shall include any situation where Officers or Members involved in the procurement process directly or indirectly have a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of a Procurement Process or of Contract Management.

3. Sanctions

- 3.1 Officers shall be aware that failure to comply with CPR could be construed as misconduct and may lead to disciplinary proceedings.

4. Contract Value Bands

4.1 The Contract Value Bands determine the procedures relating to each Procurement Process. The Contract Value Bands are:

'Band A': up to £10,000

'Band B': £10,001 - £140,000

'Band C': £140,001 - £1,000,000

'Band D': £1,000,001 and over

4.2 The value of a Contract means the total estimated value of the Contract over its full period, including any optional extension periods, excluding VAT. The Responsible Officer or the Authorised Officer must estimate the total value. Framework Agreements and Dynamic Purchasing Systems shall be valued as a single Contract.

4.3 Officers are not permitted to subdivide Contracts if the effect is to amend or prevent the application of these CPR, unless justified by objective reasons.

4.4 All Contracts, including those within Band A, shall be open to scrutiny by internal and external auditors.

5. Procurement Notification Form

5.1 The Authorised Officer or the Responsible Officer shall in advance of inviting quotations or tenders or utilising a Corporate Agreement for Contracts in Band B, Band C or Band D submit to the Head of Commercial Services a Procurement Notification Form (available from Staffnet).

5.2 After consideration of a Procurement Notification Form, the Head of Commercial Services shall respond in Writing to the Authorised Officer or Responsible Officer and either:

- (a) approve the Procurement Notification Form;
- (b) decline the Procurement Notification Form.

5.3 Officers shall not be permitted to commence a Procurement Process until the Head of Commercial Services has responded to the Procurement Notification Form in accordance with CPR 5.2.

5.4 The Head of Commercial Services may decline a Procurement Notification Form on the following grounds:

- (a) where it is proposed to conduct a Procurement Process in breach of these CPR;
- (b) where it is proposed to conduct a Procurement Process on the basis of technical specifications and/or contract conditions which are incomplete;
- (c) where requirements (including, but not necessarily limited to, quantities, contract periods, pricing or payment mechanisms or additional/optional purchases) are unknown or have not been precisely determined;
- (d) Any other reasons which may prevent Value for Money from being obtained.

- 5.5 Under no circumstances shall the Head of Commercial Services provide a verbal response to a Procurement Notification Form.
- 5.6 Where the use of a consultant or consultancy services is envisaged to a value exceeding £100,000 then the Authorised Officer or Responsible Officer will ensure that Procurement Notification Form has also received written approval from the relevant Cabinet Member before submission in line with 5.1 above.

6. Preliminary market consultations

- 6.1 Before commencing a Procurement Process, Officers may conduct market consultations with a view to preparing the Procurement Process and informing Suppliers of the Council's plans and requirements.
- 6.2 When conducting preliminary market consultations, Officers may seek or accept advice from Suppliers or Consultants. Such advice may subsequently be used in the planning and conduct of a Procurement Process provided that it does not have a discriminatory effect or distort competition.

7. Duration of Contracts, Framework Agreements and Dynamic Purchasing Systems

- 7.1 No Contract (excluding Framework Agreements and Dynamic Purchasing Systems) shall be let for a period exceeding five years without prior consultation with the Head of Commercial Services.
- 7.2 No Framework Agreement or Dynamic Purchasing System shall be let for a period exceeding four years without prior consultation with the Head of Commercial Services.

8. Waivers

- 8.1 Waivers enable the Authorised Officer to partly suspended CPR to authorise a particular course of action to be taken in respect of Contracts in Band B, Band C and Band D. This can include the requirement to seek market competition by obtaining a quotation or tendering. This does not remove the need to ensure that adequate and robust process is undertaken in accordance with these CPR.
- 8.2 Where the particular course of action is permitted by the Public Contract Regulations 2015 a Waiver Application is not required and the award process in CPR 18 is to be followed. Where the Waiver Application proposes actions which may be in breach of the Public Contracts Regulations 2015 the application will be declined
- 8.3 A Waiver can be sought, including approval to seek only a single quotation or tender. The grounds for justifying a waiver may include one or more of the following criteria although this list is not exhaustive:
- i. where an offer has been made to the market by the Council using the Procurement Process, but where no quotations or tenders have been submitted, or where those that have been submitted are disqualified

through the evaluation procedure. In this circumstance an exception can only be granted where the original terms of the proposed contract are not substantially altered;

- ii. the goods, services or works can only be provided by a particular contractor for reasons that are technical, or connected with the protection of exclusive rights;
- iii. extreme urgency brought about by events unforeseeable by the Council;
- iv. where the products involved are manufactured purely for the purpose of research, experimentation, study or development:
- v. for supplies quoted and purchased on a commodity market;
- vi. where a design competition is run where the rules of that competition require the contract to be awarded to one or more of the successful candidates, provided that all successful candidates are invited to negotiate;
- vii. in relation to time limited grant funding from an external body, where the time limitations will not allow a competitive procurement process to be completed and where the grant conditions allow this;
- viii. for the purchase of supplies on particularly advantageous terms from a supplier that is definitely winding up its business activities, or from the receivers or liquidators of a bankruptcy, an arrangement with creditors or similar procedure;
- ix. where delay attributable to the quotation or tendering process would, in the estimation of the Responsible Officer concerned, create or increase danger to life or limb;
- x. where relevant UK or EU legislation not otherwise referred to in these CPR permits.

8.4 The Authorised Officer shall submit a Waiver Application, in the standard format and in accordance with the procedures specified on Staffnet. The Waiver Application must specify:

- (a) the reasons for the proposed waiver/s; and
- (b) evidence that the waiver/s will not prevent Value for Money from being obtained.

8.5 No Waiver Application will be considered retrospectively, except in exceptional circumstances.

8.6 A Waiver Application based on the reasons listed in CPR 8.3 may be granted in the following manner:

- i. **£10,000 - £1,000,000** – Written approval to be obtained from the Responsible Officer and Head of Commercial Services.
- ii. **Works Only £1,000,001+**: Where a Waiver Application is for a works contract with a value in excess of £1m the Authorised Officer must obtain the written approval of the Responsible Officer and Head of Commercial Services and relevant Cabinet Member. The Cabinet Member, or any of the other Officers detailed above, can refer the decision to Cabinet where they consider there are relevant issues pertaining to the Waiver Application
- iii. Where the use of a **consultant or consultancy services is envisaged to a value exceeding £100,000** then the Responsible Officer will ensure that the waiver has also received written approval from the relevant Cabinet Member before submission.

8.7 CPR 8.6 shall not apply in cases of extreme urgency. In this circumstance, the Head of Commercial Services can approve the Waiver Application.

8.8 An approved Waiver Application form constitutes authority to enter into the Contract under these Contract Procedure Rules and the Council's Constitution.

8.9 Officers shall not be permitted to implement the waiver/s proposed in a Waiver Application until the approval process in CPR 8.6 has been complied with.

8.10 Where a Waiver of one or more CPR is approved all CPR other than those waived shall remain in full force and effect. In particular the need to complete supplier suitability assessment and due diligence and to put in place a contract on the Council's standard terms and conditions will be required for all approved Waiver Applications.

8.11 The Head of Commercial Services shall keep a register of all Waiver Applications.

9. Framework Agreements and Dynamic Purchasing Systems

Framework Agreements

9.1 Contracts shall be awarded under Framework Agreements in one of the following ways:

- (a) **'direct award'**: without reopening competition, provided that the Framework Agreement specifies in full the terms (including the technical specifications, contract conditions and, where applicable, price) governing the works/ services/ supplies concerned and the Award Criteria;
- (b) **'further competition'**: by reopening competition amongst the Suppliers party to the Framework Agreement, whether or not the Framework

Agreement specifies in full the terms (including the technical specifications, contract conditions and, where applicable, price) governing the works/ services/ supplies concerned.

- 9.2 Where a Framework Agreement is awarded to only one Supplier, Contracts based on that Framework Agreement shall be awarded on a 'direct award' basis only, in accordance with CPR 9.1(a).
- 9.3 Contracts awarded under a Framework Agreement shall in no circumstances entail modifications to the terms of the Framework Agreement.

Dynamic Purchasing Systems

- 9.4 A Dynamic Purchasing System ('DPS') shall be identical to a Framework Agreement, except that any Supplier may apply for admittance to a DPS throughout the full period of its operation by satisfying defined Pre-Qualification Criteria.
- 9.5 All DPS shall be openly advertised on the Sell2Wales Website, irrespective of estimated value.
- 9.6 A Dynamic Purchasing System may be divided into categories of goods, services or works. In such cases, it is permissible to stipulate Pre-Qualification Criteria appropriate to each category.
- 9.7 At the time of inviting Tenders or Quotations under a DPS, Officers shall ensure that all applications for admittance to the DPS received by that time have been processed and all applicants have been notified of whether or not they have been admitted to the DPS.
- 9.8 Officers shall, in Writing, invite all Suppliers admitted to a DPS to respond to all Tenders/ Quotations issued under a DPS. Where the DPS has been divided into categories of goods, services or works, Officers shall invite all Suppliers having been admitted to the category corresponding to the procurement concerned to submit a Quotation/Tender.

10. Procurement Documents

- 10.1 All Quotations shall be sought using the Council's standard Invitation to Quote, obtainable from Commercial Services.
- 10.2 All Tenders shall be sought using the Council's standard Invitation to Tender, obtainable from Commercial Services.
- 10.3 Procurement Documentation shall always include a copy of the Council's relevant Contract conditions.
- 10.4 All Procurement Documentation shall be made available to all Bidders at the same time.
- 10.5 The period for the return of Quotations shall be determined by the Responsible Officer or the Authorised Officer.

- 10.6 The usual period for the return of Tenders shall not be less than 28 days from the issue date of the Invitation to Tender, with exceptions allowed by agreement of the Head of Commercial Services.

11. Competition requirements

Contracts within Band A

- 11.1 For Contracts in Band A, the Responsible Officer or the Authorised Officer shall consider that Value for Money has been obtained by maintaining appropriate records in accordance with CPR 23 (for example by providing evidence of a catalogue search or internet search).

Contracts within Band B

- 11.2 For Contracts in Band B, it is sufficient for Officers to invite Quotations.

11.3 *Goods and Services only*

- 11.3.1 *£10,001 - £25,000*: At least four written Quotations shall be sought from appropriate Suppliers using Sell2Wales; if the Responsible Officer wishes to use an alternative process this must be agreed by the Head of Commercial Services.

- 11.3.2 *£25,001 - £140,000*: requirements shall be openly advertised on Sell2Wales with exceptions allowed by agreement of the Head of Commercial Services.

- 11.4 ***Works only (£10,001 - £140,000)***: At least four Quotations shall be sought from appropriate Suppliers using Sell2Wales or constructionline.co.uk in accordance with the following procedure:

- (a) a minimum of two Suppliers shall be chosen at random using the 'generate a list' function;
- (b) a maximum of two Suppliers shall be chosen by Officers;
- (c) at least one of the four Suppliers shall be from the Local Area and Officers shall consider increasing this number in accordance with CPR 14;
- (d) Officers shall contact all Suppliers (including those chosen at random and those chosen by Officers) within 14 days prior to the commencement of the Procurement Process to determine their interest in submitting a Quotation. Officers shall substitute all Suppliers not interested in submitting a Quotation with alternative Suppliers, and shall choose those alternative in compliance with this CPR 11.4.

- 11.5 *Dynamic Purchasing Systems*: All Dynamic Purchasing Systems shall be openly advertised on the Sell2Wales Website.

Contracts within Band C and Band D

- 11.6 *Goods and services only* – For Contracts in Band C and Band D, Tenders shall be invited. All Contracts shall be openly advertised on the Sell2Wales Website.

11.7 *Works only – £140,001 - £500,000:* Requirements shall be openly advertised on the Sell2Wales Website. Tenders shall be invited. Alternatively, at least six Tenders shall be sought from Suppliers registered on constructionline.co.uk in accordance with the following procedures:

- (a) a minimum of four Suppliers shall be chosen at random using the 'generate a list' function;
- (b) a maximum of two Suppliers shall be chosen by Officers;
- (c) at least two of the six Suppliers shall be from the Local Area (where the subject of the Contract allows);
- (d) Officers shall contact all Suppliers (including those chosen at random and those chosen by Officers) within 14 days prior to the commencement of the Procurement Process to determine their interest in submitting Tenders. Officers shall substitute all Suppliers not interested in submitting a Tenders with alternative Suppliers, and shall choose those alternative Suppliers in accordance with this CPR 11.8.

11.8 *Works only – £500,001 and above:* All Contracts shall be openly advertised on the Sell2Wales Website.

11.9 *Dynamic Purchasing Systems:* All Dynamic Purchasing Systems shall be openly advertised on the Sell2Wales Website.

12. Supplier suitability

12.1 Officers are responsible for ensuring that Suppliers have been suitably assessed prior to being awarded a Contract. Suppliers shall be assessed against appropriate Pre-Qualification Criteria relating to one or more of the following:

- (a) suitability to pursue a professional activity;
- (b) economic and financial standing;
- (c) technical and professional ability;
- (d) social, economic and/or environmental considerations in relation to the Local Area, in accordance with CPR 14.
- (e) the supplier's safeguarding policy
- (f) the supplier's policies relating to ethical employment and practices

12.2 Prior to awarding a Contract to a Supplier, Officers shall ensure that the Supplier has adequate insurance cover in place for the performance of the Contract. Where in doubt, Officers shall seek the advice of a Finance Officer. The Responsible Officer is responsible for ensuring that the Supplier remains adequately insured for the duration of the Contract.

13. Award Criteria

13.1 In conjunction with a Procurement Officer, the Responsible Officer or the Authorised Officer must define Award Criteria that are appropriate to the procurement and designed to secure an outcome that will provide Value for Money for the Council. The basic criteria shall be one or more of:

- (a) 'Most Economically Advantageous Offer', where considerations of quality and price or cost apply;
- (b) 'lowest price';

- (c) 'highest price' (if payment is to be received by the Council).

14. Community Benefits

- 14.1 Officers shall have regard to any current guidance in relation to CPR 14 issued by the Head of Commercial Services on Staffnet.
- 14.2 None of the requirements set out within CPR 14 shall prevent Officers from complying with the requirements set out within CPR 11 (Competition requirements).
- 14.3 CPR 14 shall not apply to any Contract awarded under a Framework Agreement.
- 14.4 Prior to commencing a Procurement Process, the Authorised Officer or the Responsible Officer must give consideration to how the Contract could provide social, economic and/or environmental benefits to the Local Area ('Community Benefits') and the measures that may be taken to secure these benefits. Such measures may include (as long as the measures are fair, transparent and proportionate):
 - (a) particular requirements or minimum standards within the technical specifications or Contract conditions;
 - (b) appropriate Pre-Qualification Criteria;
 - (c) appropriate Award Criteria;
 - (d) awarding a Contract in the form of separate lots.
- 14.5 For the purposes of CPR 14.4, the Authorised Officer or the Responsible Officer shall also be permitted to restrict competition for Contracts with an estimated value not exceeding £140,000 to Suppliers based in the Local Area.
- 14.6 The Local Area shall mean the area within the Swansea local authority boundary. However, taking into account factors such as the complexity of the Contract and the capacity of Suppliers based within the Swansea local authority boundary to perform the contract, Officers shall have discretion to broaden the definition of Local Area to either—
 - (a) The combined local authority boundaries of Swansea and one or more of the following: Carmarthenshire, Neath Port Talbot, Bridgend; or
 - (b) Wales.
- 14.7 For the purposes of CPR 14.4, Officers must only consider measures that are relevant and proportionate to the subject matter of the Contract. Officers are not required to comply with CPR 14.4 in the following circumstances—
 - (a) where its application would impose burdensome, excessive or disproportionate requirements on the Council, Bidders or Suppliers; or
 - (b) where the subject matter of the Contract is such that Community Benefits are not reasonably attainable; or
 - (c) where the subject matter of the Contract is such that Community Benefits are likely to materialise without the need for additional measures.

- 14.8 A Community Benefit must not be attained by the creation of a social, economic and/or environmental dis-benefit. For example, Officers must not create an economic benefit to the Local Area dependant on the creation of an environmental dis-benefit.
- 14.9 For the purposes of CPR 14, a Supplier shall be deemed to be based in the Local Area if it performs any part of the Contract from premises with an address in the Local Area.
- 14.10 Members may at any time require of any Responsible Officer a Written report setting out details of the Community Benefits they have secured pursuant to CPR 14 during the 12 months preceding the date of the request.

15. Opening of Quotations and Tenders

- 15.1 Under no circumstances should any Quotation or Tender be opened before the Closing Date.
- 15.2 Electronic Tenders shall be opened after the Closing Date by a Procurement Officer.
- 15.3 Quotations shall be opened after the Closing Date by any Officer.
- 15.4 No Tender or Quotation received after the Closing Date shall be accepted.
- 15.5 Quotations and Tenders received by any method other than by the method specified in the Procurement Documents shall be rejected.
- 15.6 The procedures set out in CPR 15 will apply to the opening of Pre-Qualification Documents except where these are submitted together with a Tender or Quotation or in accordance with the procedures specified in the Procurement Documents.

16. Clarification procedures

- 16.1 Where information or documentation submitted by a Bidder is incomplete, or where specific documents are missing, the Responsible Officer or the Authorised Officer may request the Bidder to submit or complete the relevant information or documentation within an appropriate time limit. However, Bidders shall not be permitted to submit any missing information or documentation that is subject to the Award Criteria (such as but not limited to pricing schedules and method statements).
- 16.2 No opportunity shall be given to complete or amend any information contained in a Tender or Quotation that is subject to the Award Criteria, other than where due to a demonstrable arithmetical or interpretive error attributable to the Bidder, or due to errors contained in the Procurement Documents attributable to the Council.
- 16.3 Under no circumstances shall clarification procedures be used in lieu of Post-Tender Negotiation with a view to obtaining adjustments in price, quality, delivery, quantity or scope as a means of improving offers being considered.

- 16.4 In respect of Quotations or Tenders to be received by the Electronic Sourcing System, all clarifications sought in accordance with CPR 16 must be issued and received by the Electronic Sourcing System.

17. Negotiation of Quotations and Tenders

- 17.1 Negotiation of Tenders and Quotations in accordance with CPR 17 shall only be undertaken following consultation with the Head of Commercial Services, who shall advise on the appropriate procedures to be followed.
- 17.2 Negotiations must be conducted by a team of at least two Officers, one of whom must be a Procurement Officer who shall lead the negotiations.
- 17.3 Officers appointed to carry out negotiations shall ensure that there are recorded minutes of all negotiation meetings and that both parties agree actions in writing. All documentation shall be retained in accordance with CPR 23.

Competitive Negotiation of Quotations or Tenders

- 17.4 Competitive Negotiation of Quotations or Tenders shall mean a Procurement Process involving the negotiation of Quotations or Tenders with Suppliers where it is determined prior to the commencement of the Procurement Process that the negotiation of Quotations or Tenders may be necessary during the course of the Procurement Process.
- 17.5 Competitive Negotiation of Quotations/Tenders may only be undertaken in the following circumstances:
- (a) the needs of the Council cannot be met without adaptation of goods/services/works available on the open market;
 - (b) the Contract will include design or innovative solutions;
 - (c) the Contract cannot be awarded without prior negotiation because of specific complexities (legal, financial or technical) relating to the Contract;
 - (d) the technical specifications cannot be established with sufficient precision without prior negotiation with Bidders.
- 17.6 The intention to undertake a Competitive Negotiation of Quotations or Tenders shall be clearly stated in the Procurement Documents.
- 17.7 When undertaking a Competitive Negotiation of Quotations or Tenders the minimum requirements of the Contract shall be specified in the Procurement Documents.
- 17.8 The minimum requirements of the Contract and the Award Criteria shall not be subject to negotiation, and this shall be specified in the Procurement Documents.

Post-Tender Negotiation

- 17.9 Post-Tender Negotiation shall be understood as negotiation with a Bidder/s after the submission of Tenders/Quotations and before the award of a Contract with a view to obtaining adjustments in price, quality, delivery, quantity or scope, and

where the need for such negotiation was not reasonably foreseeable before the commencement of the Procurement Process.

- 17.10 In general, Post-Tender Negotiation shall only be undertaken in circumstances where no suitable Quotations or Tenders have been received in response to an Invitation to Quote/ Invitation to Tender. A Quotation or Tender shall be deemed not to be suitable where it is demonstrably incapable, without adaptation, of meeting the Council's requirements as specified in the Procurement Documents.
- 17.11 Where there is an adjustment in the scope or quantity included in the Procurement Documents, negotiations shall be undertaken with all Bidders. This shall not include any Bidders having already been excluded from the Procurement Process.
- 17.12 The minimum requirements of the Contract and the Award Criteria shall not be subject to negotiation.

18. Evaluation and award of Quotations and Tenders

- 18.1 The confidentiality of Quotations and Tenders must be preserved at all times and information about one Bidder's Quotation/Tender must not be given to another Bidder.

Evaluation of Quotations and Tenders in Band A (up to £10,000)

- 18.2 Procedures for the evaluation of Quotations shall be determined by the Responsible Officer or the Authorised Officer with the aim of ensuring that Value for Money has been obtained.

Evaluation of Quotations and Tenders in Band B (£10,001 - £140,000)

- 18.3 Quotations and Tenders shall be evaluated in accordance with the Award Criteria specified in the Procurement Documents.
- 18.4 Prior to the award of a Contract, a Contract Award Report in a standard form shall be drafted by the Authorised Officer for written approval by the Responsible Officer and a Procurement Officer.
- 18.5 The Authorised Officer shall obtain written approval of the Contract Award Report as required by CPR 18.4 prior to awarding a Contract.
- 18.6 If deemed necessary by the Head of Commercial Services, and in particular where complex legal, financial or technical issues attach to the award of the Contract, an Evaluation Panel shall be convened in accordance with CPR 18.17 to 18.19.

Evaluation of Quotations and Tenders in Band C (£140,001 - £1,000,000)

- 18.7 Quotations and Tenders shall be evaluated in accordance with the Award Criteria specified in the Procurement Documents.
- 18.8 Prior to the award of a Contract, a Contract Award Report in a standard form shall be drafted by the Responsible Officer or the Authorised Officer for Written approval by the following persons:
- (a) a Procurement Officer;
 - (b) a Legal Officer.
 - (c) a Finance Officer
- 18.9 After the Contract Award Report has been approved in accordance with CPR 18.7 and 18.8, the Responsible Officer or the Authorised Officer shall obtain Written approval of the Contract Award Report from the following persons:
- (d) the Responsible Officer;
 - (e) the Head of Commercial Services;
 - (f) the Chief Legal Officer.
 - (g) The Chief Finance Officer
- 18.10 The Authorised Officer shall obtain written approval of the Contract Award Report as required by CPR 18.8 and 18.9.
- 18.11 If deemed necessary by the Head of Commercial Services, and in particular where complex legal, financial or technical issues attach to the award of the Contract, an Evaluation Panel shall be convened in accordance with CPR 18.17 to 18.19.

Evaluation of Tenders in Band D (£1,000,001 and over)

- 18.12 All Tenders shall be evaluated in accordance with the procedures applicable to Band C, with approval of the Contract Award Report also to be obtained from the relevant Cabinet Member.
- 18.13 In the event that any of the officers with delegated authority or Cabinet Member referred to in CPR 18.12 decline to approve the Contract Award Report, then the Contract Award Report shall be referred to Cabinet for approval.

Evaluation of Framework Agreements, Dynamic Purchasing Systems and Call-Off Contracts

- 18.14 The evaluation of Quotations and Tenders for Framework Agreements and Dynamic Purchasing Systems awarded by the Council shall be in compliance with CPR 18.
- 18.15 The evaluation of Quotations and Tenders invited under a Framework Agreement or Dynamic Purchasing System ('Call-Off Contracts') shall be in compliance with CPR 18.
- 18.16 Where it is anticipated that a series of Call-Off Contracts are to be awarded over the term of a Framework Agreement or Dynamic Purchasing System, it is

permissible for a single Contract Award Report to authorise the award of those Contracts provided that the Contract Award Report is in compliance with the relevant provisions of CPR 18.

Evaluation Panels

18.17 Subject to CPR 18.6 and 18.11 Evaluation Panels shall be assembled by the Responsible Officer or the Authorised Officer who shall inform the Procurement Officer of the proposed arrangements.

18.18 Evaluation Panels may include:

- (a) a Procurement Officer;
- (b) the Authorised Officer;
- (c) the Responsible Officer;
- (d) a Legal Officer;
- (e) a Finance Officer;
- (f) any other person/s requested to attend by invitation of the Authorised Officer, the Responsible Officer or the Procurement Officer.

18.19 The Responsible Officer or the Authorised Officer shall ensure any actions agreed by the Evaluation Panel are recorded in the Contract Award Report to be approved in accordance with CPR 18.

19. Notifying successful and unsuccessful Bidders

19.1 Prior to awarding a Contract, the Head of Commercial Services shall forward a copy of the Contract Award Report to the Head of Democratic Services for publication. The threshold contract value for publication shall be determined by the Monitoring Officer and communicated to the Head of Commercial Services. Following publication and subject to the outcome of any “call-in” procedure the Responsible Officer may proceed to award the contract.

19.2 Following the publication of the award, the Responsible Officer or the Authorised Officer shall in writing notify all Bidders of the outcome of the Procurement Process using notification letters approved by a Procurement Officer. This shall not include any Bidders that have already been excluded from the Procurement Process.

19.3 The Responsible Officer or the Authorised Officer may, on receipt of a written request from an unsuccessful Bidder, provide that Bidder with a debriefing, verbally or in writing. When being conducted verbally, a written record of all discussions shall be made and such record shall be retained in accordance with CPR 23.

20. Terms and conditions, and signing and sealing of Contracts

20.1 Subject to CPR 20.6, no work shall commence until the Contract is signed by all parties and (if required by CPR 20.3) sealed.

- 20.2 The relevant Contract conditions of the Council shall form the basis of Contracts. No conditions attached to Quotations or Tenders, and no modifications to the relevant Contract conditions of the Council, shall be accepted without consultation with the Chief Legal Officer and the Head of Commercial Services.
- 20.3 Contracts of a value of up to £140,000 shall be signed by the Responsible Officer or the Authorised Officer. Contracts of a value exceeding £140,000 shall be made under the Common Seal of the Council, except for Contracts awarded by external organisations where different rules may apply.
- 20.4 Contracts of a value exceeding £140,000 shall be prepared by a Legal Officer.
- 20.5 Call-Off Contracts, whether awarded under a Framework Agreement or Dynamic Purchasing System established by the Council or an external organisation, shall be signed and sealed in accordance with CPR 20.
- 20.6 Where a Bidder is required to provide goods, services or works prior to entering into a formal written Contract with the Council a letter of intent may be submitted to the Bidder with the agreement of the Responsible Officer. A letter of intent shall not be submitted without prior consultation with the Chief Legal Officer and until an award decision has been made in accordance with CPR 18.

21. Suspension and termination of Contracts and Modifications to Contracts

- 21.1 No Contract in Band B, Band C or Band D shall be suspended or terminated without prior written consultation with the Head of Commercial Services and the Chief Legal Officer.
- 21.2 No modifications shall be made to the terms of an existing Contract without the approval of the Head of Commercial Services and the Responsible Officer unless provided for in the initial procurement documents, irrespective of value.
- 21.3 The relevant Cabinet Member must also approve where the proposed modification exceeds £1 million.

22. Contract management

- 22.1 Responsible Officers must assign an Officer or Officers designated as Contract Manager/s for all new Contracts. Responsible Officers and Authorised Officers are responsible for monitoring the expenditure on Contracts.
- 22.2 Contract Managers must ensure that all appropriate contract documentation is maintained and available for review, so for example where a contract specifies Key Performance Indicators or Service Levels then appropriate performance monitoring data relating to these will be maintained and managed by the Contract Manager and the contract's Responsible Officer (this data will be need to be reviewed, for example, should the product or service need to be retendered at a future date, so a history of the contract performance is essential).

23. Record keeping

- 23.1 All documentation relating to successful Quotations and Tenders must be retained for six years following the end date of the Contract.
- 23.2 All documentation relating to unsuccessful Quotations and Tenders must be retained for 12 months from award of Contract, provided that there is no dispute regarding the award, in which case all such documentation shall be retained until the date that the dispute has been fully concluded plus a further 12 months.

24. Contracts register

- 24.1 The Head of Commercial Services shall maintain a register of all Contracts in and above Band B. Relevant information shall include:
- (a) Contract title
 - (b) name of Contractor/s;
 - (c) Contract period (including any optional extension periods) and value;
 - (d) if applicable, details of the Framework Agreement or Dynamic Purchasing System under which the Contract was awarded;
 - (e) the name of the Contract Manager.
- 24.2 A register of all Contracts in Band A shall be maintained by the relevant Responsible Officer for the procurement.

Appendix B

It is recommended that Sections c, d and h in the section below are now deleted to ensure coherence with the new Contract Procedure Rules (see sections in bold below):

Part 3, Section 1, paragraph 6 of the Constitution:

6. Limit on Exercise of Executive Functions

1 Individual Cabinet Members

Where any delegated power is allocated to an individual Cabinet Member and that Member is absent or otherwise unable to act the power is allocated to the Leader and in the Leader's absence to the Deputy Leader.

- a) Any delegated power includes the authority to undertake any action incidental to the application of the delegated power.
- b) Subject to the following prescriptive provisions, individual Cabinet Member may exercise their delegated powers to make decisions on any matters falling within the Cabinet Member's portfolio (other than decisions which are contrary to the Policy Framework or contrary to or not wholly in accordance with the approved Budget) which, if delayed, would seriously prejudice the Council's or the public's interests.
- c) In respect of any contract having an estimated value exceeding £1,000,000 but not exceeding £5,000,000:**
 - i) To authorise the invitation of tenders; and**
 - ii) To accept a tender other than the lowest tender received where payment is to be made by the Council, or other than the highest tender received where payment is to be received by the Council where there are special reasons approved by the Section 151 Officer for not accepting the lowest tender or the highest tender as the case may be.**
 - iii) To authorise invitation of tenders, to accept a tender or enter into a contract in accordance with any exemption under the Council's Contract Procedure Rules.**
- d) In connection with services falling within the Cabinet Member's portfolio to authorise the submission of tenders for the supply of goods, works or services to another local authority or a public body in accordance with the powers conferred upon the Council by the Local Authorities (Goods and Services) Act 1970 where the estimated value of the proposed tender exceeds £1,000,000 but does not exceed £5,000,000.**
- e) To authorise the disposal of surplus goods acquired in connection with services falling within the Cabinet Member's portfolio having an estimated total value exceeding £100,000 but not exceeding £200,000.

f) To declare land or buildings utilised in connection with services falling within the Cabinet Member's portfolio surplus to requirements.

g) To approve, subject to the budget process:

i) Fees and charges for new services in accordance with any relevant charging policy approved by the Cabinet; and

ii) Increases in existing fees and charges which are in accordance with any relevant charging policy approved by the Cabinet and which are necessary to reflect either inflation or other increases in costs.

h) To authorise the appointment of consultants providing a professional service whose fees are estimated to exceed £100,000.

Agenda Item 12.



Report of the Cabinet Member for Economy and Strategy (Leader)

Council – 27 November 2019

Council Tax Base Calculation 2020/21

Purpose: This report details the calculation of the Council Tax Base for the City and County of Swansea, its Community Councils and the Swansea Bay Port Health Authority for 2020/21. The Council is required to determine the Council Tax Bases for 2020/21 by 31 December 2019.

Policy Framework: None

Consultation: Legal and Finance.

Recommendation: The calculation of the Council Tax Base for 2020/21 be approved.

In accordance with the Local Authorities (Calculation of Tax Base) (Wales) Regulations 1995, as amended, the calculation by the City and County of Swansea Council for the year 2020/21 shall be:

For the whole area 91,923

For the area of Community Councils:

Bishopston	1,986
Clydach	2,661
Gorseinon	3,319
Gowerton	1,972
Grovesend & Waungron	426
Ilston	327
Killay	2,148
Llangennith, Llanmadoc & Cheriton	508
Llangyfelach	947
Llanrhidian Higher	1,626
Llanrhidian Lower	341
Llwchwr	3,446
Mawr	762
Mumbles	9,822
Penllergaer	1,437
Pennard	1,482
Penrice	426
Pontarddulais	2,340

	Pontlliw & Tircoed	1,039
	Port Eynon	433
	Reynoldston	300
	Rhossili	190
	Three Crosses	715
	Upper Killay	589
	For the area of the Swansea Bay Port Health Authority	63,778
Report Author:	Julian Morgans	
Finance Officer:	Ben Smith	
Legal Officer:	Tracey Meredith	
Access to Services Officer:	Rhian Millar	

1. Council Tax Base Calculation.

- 1.1 The City and County of Swansea Council is required to determine the Council Tax Base for 2020/21 based on its estimated position.
- 1.2 The Tax Base is used by the Council to calculate its Council Tax for 2020/21.
- 1.3 The Police and Crime Commissioner for South Wales will be informed of the Council's Tax Base in relation to their precepts and levies.
- 1.4 The Tax Base must be calculated as follows:
 - take the number of dwellings for each valuation band as at 31 October 2019
 - adjust for the estimated changes during the year, i.e. additions, reductions (including those for disabled adaptations), deletions and exemptions
 - reduce by the number of discounts allowed
 - adjust for any premiums charged.
 - convert each Band to a Band D equivalent by applying the relevant multiplier, e.g. for Band A multiply by 6 and divide by 9
 - sum the Band D equivalent for each band
 - multiply this by the estimated collection rate
 - add the Band D equivalent of exempt class O properties, i.e. dwellings owned by the Ministry of Defence

The following assumption has been made –

- the collection rate will be 97.5% (in light of the collection fund deficit in 2018-19, it is prudent to reduce the assumed collection rate, slightly).

- 1.5 The estimated 2020/21 Council Tax Base for the whole of the City and County of Swansea has been calculated as 91,923. The comparable figure for 2019/20 was 90,069. Percentage changes are shown in Appendix B.

1.6 The calculation of the Council's Tax Base is set out in Appendix A. Percentage changes are shown in Appendix B.

2. Financial Implications.

2.1 The gross tax base, before applying the collection rate, has increased in part due to anticipated new properties and the decision taken by Council to stop the 50% discretionary relief previously given to empty properties which will be reflected in the Revenue Support Grant which the Council receives from Welsh Government. The gross tax base has further increased for 20/21 as a result of the introduction of council tax premiums for long term empty properties from 1st April 2021.

3. Legal Implications

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

4. Equality and Engagement Implications

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

Background Papers: None

Appendices:

Appendix A – Council Tax Base 2020/21 – Calculation

Appendix B – Council Tax Base 2020/21 – Percentage changes

Council Tax Base 2020/21 - Calculation

Appendix A

Band	*A	A	B	C	D	E	F	G	H	I	Total
Estimated no of chargeable dwellings		16,084	26,688	22,976	15,620	12,000	7,733	3,717	1,135	519	106,472
Disabled Dwelling Adjustment		132	0	0	-15	-34	-56	-44	15	-37	
Sub Total (1)	39	16,216	26,688	22,976	15,605	11,966	7,677	3,673	1,150	482	106,472
Discounts Adjustment	-4	-2,454	-3,089	-2,224	-1,376	-871	-484	-190	-58	-18	-10,768
Premium Adjustment	0	193	325	264	135	96	59	35	8	3	1,118
Sub Total (2)	35	13,955	23,924	21,016	14,364	11,191	7,252	3,518	1,100	467	96,822
Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	21/9	
Band D Equivalent	19	9,303	18,607	18,681	14,364	13,678	10,475	5,863	2,200	1,090	94,280

Estimated Collection Rate%	97.5%
Sub Total	91,923
Class O - Band D Equivalent	0
Council Tax Base 2019/20	91,923

Appendix B - Council Tax Base 2020/21 – Percentage Changes

	2020/21	2019/20	No.	%
For the whole area	91,923	90,069	1,854	2.06
Bishopston	1,986	1,943	43	2.21
Clydach	2,661	2,622	39	1.49
Gorseinon	3,319	3,263	56	1.72
Gowerton	1,972	1,951	21	1.08
Grovesend & Waungron	426	416	10	2.40
Ilston	327	318	9	2.83
Killay	2,148	2,146	2	0.09
Llangennith, Llanmadoc and Cheriton	508	505	3	0.59
Llangyfelach	947	940	7	0.74
Llanrhidian Higher	1,626	1,595	31	1.94
Llanrhidian Lower	341	332	9	2.71
Llwchwr	3,446	3,402	44	1.29
Mawr	762	744	18	2.42
Mumbles	9,822	9,651	171	1.77
Penllergaer	1,437	1,363	74	5.43
Pennard	1,482	1,468	14	0.95
Penrice	426	412	14	3.40
Pontarddulais	2,340	2,305	35	1.52
Pontlliw & Tircoed	1,039	1,042	-3	-0.29
Port Eynon	433	423	10	2.36
Reynoldston	300	300	0	0.00
Rhossili	190	183	7	3.83
Three Crosses	715	713	2	0.28
Upper Killay	589	556	33	5.94
Swansea Bay Port Health Authority	63,778	62,600	1,178	1.88

Agenda Item 13.



Report of the Section 151 Officer

Council – 26 November 2019

Treasury Management – Interim Year Review Report 2019/20

Purpose:	To receive and note the Treasury Management Interim Year Review Report 2019/20
Report Author:	Jeffrey Dong
Legal Officer:	Debbie Smith
Finance Officer:	Ben Smith
Access to Services Officer:	Rhian Millar
For Information	

1 Background

- 1.1 This report is presented in line with the recommendations contained within the The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management which requires an interim year review of Treasury Management operations to be presented to Council

2 Introduction

- 2.1 Treasury Management is defined as:

“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.” A glossary of terms is at Appendix 1.

- 2.2 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) was adopted by this Council in February 2010.

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's Treasury Management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead; a Mid-year Review Report and an Annual Report covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring Treasury Management policies and practices and for the execution and administration of Treasury Management decisions.
5. Delegation by the Council of the role of scrutiny of Treasury Management strategy and policies to a specific named body.

This Interim Year Review Report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- An economic update for the first six months of 2019/20
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy
- A review of the Council's investment portfolio for 2019/20
- A review of the Council's borrowing strategy for 2019/20
- A review of any debt rescheduling undertaken during 2019/20
- A review of compliance with Treasury and Prudential Limits for 2019/20

3 Economic Update

- 3.1 **UK.** This first half year has been a time of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on or before 31 October, with or without a deal. However, in September, his proroguing of Parliament was overturned by the Supreme Court and Parliament carried a bill to delay Brexit until 31 January 2020 if there is no deal by 31 October. MPs also voted down holding a general election before 31 October. Parliament has since agreed to a general election on the 12th December 2019. At the time of writing the whole Brexit outcome is highly contingent on the outcome of the general election. Given these circumstances, any interest rate forecasts are subject to material change as the situation evolves. If the UK does soon achieve a deal on Brexit agreed with the EU then it is possible that growth could recover relatively quickly. The MPC would then need to address the issue of whether to raise Bank Rate at some point in the coming year when there is little slack left in the labour market; this could cause wage inflation to accelerate which would then feed through into general inflation. On the other hand, if there was a no deal Brexit and there was a significant level of disruption to the economy, then growth could weaken even further than currently and the MPC would be likely to cut Bank Rate in order to

support growth. However, with Bank Rate still only at 0.75%, it has relatively little room to make a big impact and the MPC would probably suggest that it would be up to the Chancellor to provide help to support growth by way of a fiscal boost by e.g. tax cuts, increases in the annual expenditure budgets of government departments and services and expenditure on infrastructure projects, to boost the economy.

- 3.2 The first half of 2019/20 has seen UK **economic growth** fall as Brexit uncertainty took a toll. In its Inflation Report of 1 August, the Bank of England was notably downbeat about the outlook for both the UK and major world economies. The MPC meeting of 19 September reemphasised their concern about the downturn in world growth and also expressed concern that prolonged Brexit uncertainty would contribute to a build-up of spare capacity in the UK economy, especially in the context of a downturn in world growth. This mirrored investor concerns around the world which are now expecting a significant downturn or possibly even a recession in some major developed economies. It was therefore no surprise that the Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% throughout 2019, so far, and is expected to hold off on changes until there is some clarity on what is going to happen over Brexit. However, it is also worth noting that the new Prime Minister is making some significant promises on various spending commitments and a relaxation in the austerity programme. This will provide some support to the economy and, conversely, take some pressure off the MPC to cut Bank Rate to support growth.
- 3.3 As for **inflation** itself, CPI has been hovering around the Bank of England's target of 2% during 2019, but fell to 1.7% in August. It is likely to remain close to 2% over the next two years and so it does not pose any immediate concern to the MPC at the current time. However, if there was a no deal Brexit, inflation could rise towards 4%, primarily as a result of imported inflation on the back of a weakening pound.
- 3.4 With regard to the **labour market**, despite the contraction in quarterly GDP growth of -0.2% q/q, (+1.3% y/y), in quarter 2, employment continued to rise, but at only a muted rate of 31,000 in the three months to July after having risen by no less than 115,000 in quarter 2 itself: the latter figure, in particular, suggests that firms are preparing to expand output and suggests there could be a return to positive growth in quarter 3. Unemployment continued at a 44 year low of 3.8% on the Independent Labour Organisation measure in July and the participation rate of 76.1% achieved a new all-time high. Job vacancies fell for a seventh consecutive month after having previously hit record levels. However, with unemployment continuing to fall, this month by 11,000, employers will still be having difficulty filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to a high point of 3.9% in June before easing back slightly to 3.8% in July, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.1%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The latest GDP statistics also included a revision of the savings ratio from 4.1% to 6.4% which provides reassurance that consumers' balance

sheets are not over stretched and so will be able to support growth going forward. This would then mean that the MPC will need to consider carefully at what point to take action to raise Bank Rate if there is an agreed Brexit deal, as the recent pick-up in wage costs is consistent with a rise in core services inflation to more than 4% in 2020. In the **political arena**, alongside general election promises being made will eventually result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up although, conversely, a weak international backdrop could provide further support for low yielding government bonds and gilts.

- 3.5 **USA.** President Trump's massive easing of fiscal policy in 2018 fuelled a temporary boost in consumption in that year which generated an upturn in the rate of strong growth to 2.9% y/y. Growth in 2019 has been falling back after a strong start in quarter 1 at 3.1%, (annualised rate), to 2.0% in quarter 2. Quarter 3 is expected to fall further. The strong growth in employment numbers during 2018 has reversed into a falling trend during 2019, indicating that the economy is cooling, while inflationary pressures are also weakening. The Fed finished its series of increases in rates to 2.25 – 2.50% in December 2018. In July 2019, it cut rates by 0.25% as a 'midterm adjustment' but flagged up that this was not to be seen as the start of a series of cuts to ward off a downturn in growth. It also ended its programme of quantitative tightening in August, (reducing its holdings of treasuries etc). It then cut rates again in September to 1.75% - 2.00% and is thought likely to cut another 25 bps in December. Investor confidence has been badly rattled by the progressive ramping up of increases in tariffs. President Trump has made on Chinese imports and China has responded with increases in tariffs on American imports. This trade war is seen as depressing US, Chinese and world growth. In the EU, it is also particularly impacting Germany as exports of goods and services are equivalent to 46% of total GDP. It will also impact developing countries dependent on exporting commodities to China.
- 3.6 **EUROZONE.** Growth has been slowing from +1.8 % during 2018 to around half of that in 2019. Growth was +0.4% q/q (+1.2% y/y) in quarter 1 and then fell to +0.2% q/q (+1.0% y/y) in quarter 2; there appears to be little upside potential to the growth rate in the rest of 2019. German GDP growth fell to -0.1% in quarter 2; industrial production was down 4% y/y in June with car production down 10% y/y. Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars. The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by purchases of debt. However, the downturn in EZ growth in the second half of 2018 and into 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth. At its March meeting it said that it expected to leave interest rates at their present levels "at least through the end of 2019", but that was of little help to boosting growth in the near term. Consequently, it announced a third round of TLTROs; this provides banks with cheap borrowing every three months from September 2019 until March 2021 which means that, although they will

have only a two-year maturity, the Bank is making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank's eligible loans. However, since then, the downturn in EZ and world growth has gathered momentum so at its meeting on 12 September, it cut its deposit rate further into negative territory, from -0.4% to -0.5%, and announced a resumption of quantitative easing purchases of debt. It also increased the maturity of the third round of TLTROs from two to three years. However, it is doubtful whether this loosening of monetary policy will have much impact on growth and unsurprisingly, the ECB stated that governments will need to help stimulate growth by fiscal policy. On the political front, Austria, Spain and Italy are in the throes of forming coalition governments with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The recent results of two German state elections will put further pressure on the frail German CDU/SDP coalition government.

- 3.7 **CHINA.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress also still needs to be made to eliminate excess industrial capacity and to switch investment from property construction and infrastructure to consumer goods production. The trade war with the US does not appear currently to have had a significant effect on GDP growth as some of the impact of tariffs has been offset by falls in the exchange rate and by transshipping exports through other countries, rather than directly to the US.
- 3.8 **JAPAN** - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.
- 3.9 **WORLD GROWTH.** The trade war between the US and China is a major concern to financial markets and is depressing worldwide growth, as any downturn in China will spill over into impacting countries supplying raw materials to China. Concerns are focused on the synchronised general weakening of growth in the major economies of the world compounded by fears that there could even be a recession looming up in the US, though this is probably overblown. These concerns have resulted in government bond yields in the developed world falling significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited ammunition available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US), and there are concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing purchases of debt by central banks. The latest PMI survey statistics of economic health for the US, UK, EU and China have all been sub 50 which gives a forward indication of a downturn in growth; this confirms investor sentiment that the outlook for growth during the rest of this financial year is weak.

4 Review of the Treasury Management Strategy Statement and Investment Strategy

4.1 The Treasury Management Strategy Statement for 2019/20 was approved by Council in February 2019. The Council's Annual Investment Strategy, which is incorporated in the Treasury Management Strategy Statement, outlines the Council's investment priorities as follows in order of priority:

- Security of capital
- Liquidity
- Yield

4.2 The Council shall aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered only appropriate to invest with highly credit rated financial institutions, using our advisor's suggested creditworthiness appraisal approach, including sovereign credit rating and credit default swap (CDS) overlay information.

4.4 Borrowing rates and available investment interest rates have remained at historically low rates during 2019/20, with certain periods of extreme volatility, reflecting the political uncertainty prevailing each time. No external borrowing has been undertaken during the interim period, since the last report.

4.5 As outlined in Section 3 above, there is still considerable uncertainty and volatility in financial and banking markets, both globally and particularly in the UK, pending General Election and Brexit determination. In this context, it is considered that the strategy approved in February 2019 is still appropriate in the current economic climate and has been reviewed whilst considering and formulating the strategy for 2020/21 as funding for capital and cashflow requirements dictate.

4.6 Public Works Loan Board (PWLB)

HM Treasury made a shock determination on the 9th October 2019 affecting all future borrowing from the Public Works Loan Board (PWLB) which would now be subject to an additional 1.00% 'premium' over and above existing margins above prevailing Gilt yields. Representations are being made via WLGA, and WG about the negative impact this change will have on capital programmes in progress throughout local authorities in Wales.

4.7 It should be noted that this Council undertook £90m of borrowing, wholly fulfilling its current capital financing requirement in 2018/19 at historically low interest rates, materially bringing down the average cost of capital to the Council, ahead of this punitive change.

5 Review of Investment Portfolio 2019/20

5.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite

- 5.2 A full list of internally managed investments held as at 30th September 2019, is shown in Appendix 3. To 30th September 2019, the portfolio has returned 0.79% against a 7 day benchmark rate of 0.6%

6 Review of Borrowing Strategy

- 6.1 The current capital financing requirement (CFR) was funded by taking advantage of the historic low rates experienced in 2018/19 as previously reported to Council in the Treasury Management Annual Report 2018/19. No additional borrowing has been undertaken in 2019/20. Total external debt as is £554m at an average interest rate of 4.22%.

7 Review of Debt Rescheduling

- 7.1 Debt rescheduling opportunities are constantly evaluated but have been limited in the current economic climate and consequent structure of interest rates. No debt rescheduling has been undertaken in 2019/20 to date.

8 Review of Compliance with Treasury & Prudential Limits

- 8.1 It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits”. The Council’s approved Treasury and Prudential Indicators (affordability limits) are outlined in the approved Treasury Management Strategy Statement.
- 8.2 During the financial year to date the Council has operated within the Treasury limits and Prudential Indicators set out in the Council’s Treasury Management Strategy Statement and in compliance with the Council’s Treasury Management Practices. Compliance with the Prudential and Treasury Indicators are shown in Appendix 4.

9 Financial Implications

- 9.1 The financial implications associated with this report have been reported at Council in February 2019 in the Revenue and Capital Budget Reports 2019/20

10 Legal Implications

- 10.1 There are no direct legal implications associated with this report

11 Equality and Engagement Implications

- 11.1 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 due regard to the above. We have undertaken an EIA screening which demonstrates there are no equality impact implications arising directly from this report (Appendix 5)

Background papers: The revised CIPFA Treasury Management Code of Practice 2009
The revised CIPFA Prudential Code for Capital Finance in Local Authorities 2013
The revised CIPFA Prudential Code for Capital Finance in Local Authorities 2017

Appendices Appendix 1 - Glossary of terms
Appendix 2 - Interest Rate forecast
Appendix 3 - Schedule of investments
Appendix 4 - Prudential Indicators
Appendix 5 - Equality Impact Assessment

Treasury Management – Glossary of Terms

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

	It is essentially a measure of the Council's underlying borrowing need.
CIPFA	The Chartered Institute of Public Finance and Accountancy. One of the leading professional accountancy bodies in the UK and the only one which specialises in the public services.
Counterparty	The organisations responsible for repaying the Council's investment upon maturity and for making interest payments.
CPI (Consumer Price Index)	The consumer price index (CPI) is a measure of the average price of consumer goods and services purchased by households. It is one of several price indices calculated by national statistical agencies. The percent change in the CPI is a measure of inflation.
Credit Rating	<p>This is a scoring system that lenders use to determine how credit worthy borrowers are.</p> <p>The Credit Rating components are as follows:</p> <ol style="list-style-type: none"> 1. The AAA ratings through to C/D are long-term rating definitions and generally cover maturities of up to five years, with the emphasis on the ongoing stability of the institution's prospective financial condition. AAA are the most highly rated, C/D are the lowest. This Council does not invest with institutions lower than AA - for investments over 364 days 2. F1/A1/P1 are short-term rating definitions used by Moody's, S&P and Fitch Ratings for banks and building societies based on their individual opinion on an institution's capacity to repay punctually its short-term debt obligations (which do not exceed one year). This Council does not invest with institutions lower than F1/A1/P1 for investments under 364 days.
Debt	For the purposes of the Code, debt refers to the sum of borrowing (see above) and other long-term liabilities (see below). It should be noted that the term borrowing used in the Act includes both borrowing as defined for the balance sheet and other long terms liabilities defined as credit arrangements through legislation.

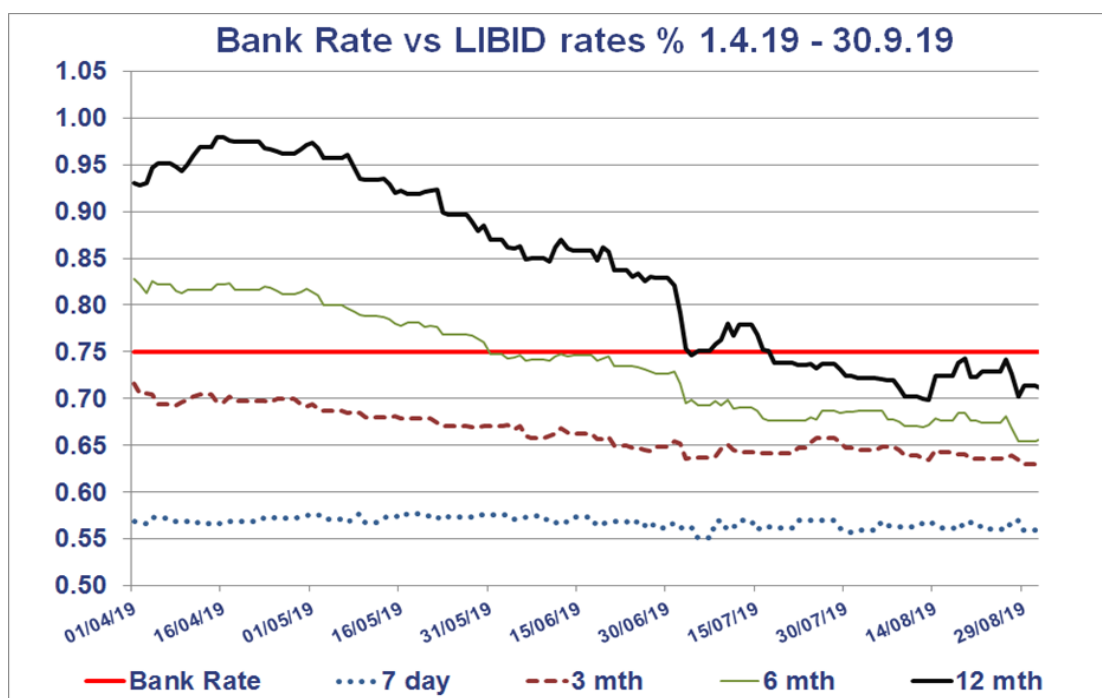
Debt Management Office (DMO)	Government Agency responsible for the issuance of government borrowing and lending.
De- leveraging	Paying back borrowed sums of money
Discounts	Where the prevailing interest rate is higher than the fixed rate of a long-term loan, which is being repaid early, the lender can refund the borrower a discount. This is calculated on the difference between the two interest rates over the remaining years of the loan, discounted back to present value. The lender is able to offer the discount, as their investment will now earn more than when the original loan was taken out.
Financing Costs	<p>The financing costs are an estimate of the aggregate of the following:-</p> <ul style="list-style-type: none"> • Interest payable with respect to borrowing • Interest payable under other long-term liabilities • Gains and losses on the repurchase or early settlement of borrowing credited or charged to the amount to be met from government grants and local taxpayers (premiums and discounts) • Interest earned and investment income • Amounts required in respect of the minimum revenue provision plus any additional voluntary contributions plus any other amounts for depreciation/impairment that are charged to the amount to be met from government grants and local taxpayers
Financial Reporting Statements (FRSs)	These are standards set by governing bodies on how the financial statements should look.
Gilts	Gilts are bonds issued by the UK government. The term is of British origin, and refers to the securities certificates issued by the Bank of England, which had a gilt (or gilded) edge.
Investments	<p>Investments are the aggregate of:-</p> <ul style="list-style-type: none"> • Long term investments • Short term investments (within current assets) • Cash and bank balances including overdrawn balances
IMF	International Monetary Fund
Leverage	Borrowed sums of money

LOBO (Lender's Option/ Borrower's Option)	Money Market instruments that have a fixed initial term (typically one to ten year) and then move to an arrangement whereby the lender can decide at pre-determined intervals to adjust the rate on the loan. At this stage the borrower has the option to repay the loan.
London Inter-Bank Bid Rate (LIBID)	The interest rate at which major banks in London are willing to borrow (bid for) funds from each other.
Managed Funds	<p><u>In-House Fund Management</u> Surplus cash can be managed either by external fund managers or by the Council's staff in-house. The in-house funds are invested in fixed deposits through the money markets.</p> <p><u>Externally Managed Funds</u> Fund managers appointed by the Council invest surplus cash in liquid instruments such as bank certificates of deposit and government stocks. The fund managers' specialist knowledge should ensure a greater diversification of investments and higher expected returns</p>
Maturity	The date when an investment is repaid or the period covered by a fixed term investment.
Monetary Policy Committee (MPC)	This is a body set up by the Government in 1997 to set the repo rate (commonly referred to as being base rate). Their primary target (as set by the Government) is to keep inflation within plus or minus 1% of a central target of 2% in two years time from the date of the monthly meeting of the Committee. Their secondary target is to support the Government in maintaining high and stable levels of growth and employment.
Money Market	<p>Consists of financial institutions and deals in money and credit.</p> <p>The term applied to the institutions willing to trade in financial instruments. It is not a physical creation, but an electronic/telephone one.</p>
Net Borrowing	For the purposes of the Code, net borrowing refers to borrowing (see above) net of investments (see above).
Net Revenue Stream	Estimates for net revenue stream for current and future years are the local authority's estimates of the

	amounts to be met from government grants and local taxpayers.
Operational Boundary	This is based on expectations of the maximum external debt of the authority according to probable not simply possible – events and being consistent with the maximum level of external debt projected by the estimates. It is not a limit and actual borrowing could vary around this boundary for short periods.
Other Long Term Liabilities	The definition of other long term liabilities is the sum of the amounts in the Council's accounts that are classified as liabilities that are for periods in excess of 12months, other than borrowing (see definition above).
Premature Repayment of Loans (debt restructuring/ rescheduling)	A facility for loans where the Council can repay loans prior to the original maturity date. If the loan repaid has a lower interest rate than the current rate for a loan of the same maturity period the Council can secure a cash discount on the repayment of the original loan. If the loan replaced has a higher rate of interest than the current rate for a loan of the same maturity period, a cash penalty is payable to the lender.
Premia	Where the prevailing current interest rate is lower than the fixed rate of a long term loan, which is being repaid early, the lender can charge the borrower a premium. This is calculated on the difference between the two interest rates over the remaining years of the loan, discounted back to present value. The lender may charge the premium, as their investment will now earn less than when the original loan was taken out.
Prudential Code	The Prudential Code is the largely self regulatory framework outlined by CIPFA for managing/monitoring capital investment in local government.
Public Works Loan Board (PWLB)	A Government agency which provides loans to local authorities. Each year, it issues a circular setting out the basis on which loans will be made available and a quota formula for the amount that can be borrowed. Loans can be either at a fixed rate or on a variable rate basis. They can be repaid on either an annuity, equal instalment of principal or maturity basis. The interest rate charged is linked to the cost at which the Government itself borrows.

Quantitative Easing	<p>Extreme form of monetary policy used to stimulate an economy where interest rates are either at or close to zero. Normally a central bank stimulates the economy by lowering interest rates but when it cannot lower them further it can attempt to seed the system with new money by quantitative easing.</p> <p>In practical terms, the central bank purchases financial assets including government debt and corporate bonds from financial institutions using money it has created by increasing its own credit limits in its own bank accounts. Also known as 'printing money' although no extra physical cash is created.</p>
Risk	<p><u>Credit /Counterparty Risk</u> The risk that counterparty defaults on its obligations.</p> <p><u>Inflation Risk</u> The risk that growth in the Authority's investment income does not keep pace with the effects of inflation on its expenditure.</p> <p><u>Interest Rate Risk</u> The risk that changes in rates of interest creates an unexpected or unbudgeted burden on the Council's finances.</p> <p><u>Liquidity Risk</u> The risk that cash will not be available when it is needed.</p> <p><u>Operational Risk</u> The risk of loss through fraud, error, corruption, system failure or other eventualities in treasury management dealings, and failure to maintain effective contingency management arrangements.</p> <p><u>Refinancing Risk</u> The risk that the Authority is unable to replace its maturing funding arrangements on appropriate terms.</p>
Set Aside Capital Receipts	<p>A proportion of money received by the Council for the sale of fixed assets must be set aside to repay debt.</p>
SORP	<p>Statement of Recommended Practice, published by CIPFA (Local Authority Accounting Body). This sets out guidelines regarding the Council's financial matters.</p>

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



Appendix 3

Investments as at 30/9/19

Counterparty	£
Bank of Scotland	19,811,428.18
Santander Bank	20,800,000.00
Aberdeen City Council	5,000,000.00
Birmingham City Council	9,000,000.00
Bournemouth Christchurch & Poole BC	1,500,000.00
Coventry Building Society	3,000,000.00
Fife Council	5,000,000.00
Goldman Sachs	22,000,000.00
Kingston Upon Hull Council	4,000,000.00
Lancashire CC	7,500,000.00
London Borough of Southwark	3,000,000.00
Reading Borough Council	5,000,000.00
Rhondda Cynon Taf CBC	3,000,000.00
RB of Windsor and Maidenhead	5,000,000.00
Thurrock Council	20,000,000.00
	133,611,428.18

APPENDIX 4

Prudential Indicators

Capital Prudential Indicators	2018/19	2019/20
	Outturn	Original Estimate
	£'000	£'000
Capital Expenditure		
GF	40,379	53,842
HRA	45,835	67,313
TOTAL	86,214	121,155
Ratio of financing costs to net revenue stream	%	%
GF	6.75	5.98
HRA	16.44	16.29
Capital Financing Requirement	£'000	£'000
GF	333,490	396,375
Credit Arrangements	1,898	186,909
HRA	151,068	1,248
TOTAL	486,456	584,532

Treasury Management Prudential Indicators	2018/19	2019/20
	Outturn	Original Estimate
	£'000 or %	£'000 or %
Authorised limit for external debt	458,535	681,958
Operational boundary for external debt	458,535	641,958
Upper limit for fixed interest rate exposure	78.6%/ £360,535	100%/ £681,958
Upper limit for variable interest rate exposure	21.4%/ £98,000	40%/ £272,783
Upper limit for total principal sums invested for over 364 days	0	40,000

Maturity Structure of Fixed Rate Borrowing in 2019/20			
	Upper Limit	Lower Limit	Actual
Under 12 months	50%	0%	0.7%
12 months and within 24 months	50%	0%	0.5%
24 months and within 5 years	50%	0%	0.1%
5 years and within 10 years	85%	0%	9.7%
10 years and above	95%	15%	89%

The treasury management prudential indicators identified above as:

- Upper limit for fixed interest rate exposure
- Upper limit for variable interest rate exposure
- Upper limit for total principal sums invested for over 364 days
- Maturity Structure of fixed rate borrowing in 2019/20

Above figures are as at 30th Oct 2019. None of the above limits/Prudential Indicators have been breached during 2019/20 to date.

Please ensure that you refer to the '[Screening Form Guidance](#)' while completing this form. If you would like further guidance please contact your support officer in the Access to Services team (see guidance for details).

Section 1
What service area and directorate are you from?
Service Area: Finance & Delivery
Directorate: Resources

Q1(a) WHAT ARE YOU SCREENING FOR RELEVANCE?

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

**(b) Please name and describe below
TREASURY MANAGEMENT INTERIM YEAR REPORT 19/20**

Q2(a) WHAT DOES Q1a RELATE TO?

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

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

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

Q3 WHAT IS THE POTENTIAL IMPACT ON THE FOLLOWING...

		High Impact	Medium Impact	Low Impact	Don't know
		(H)	(M)	(L)	(H)
Age	→	<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 type="checkbox"/>
Sex	→	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
Sexual Orientation	→	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
Welsh Language	→	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
Poverty/social exclusion	→	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
Carers	→	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>
Community cohesion	→	<input 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

Q5(a) HOW VISIBLE IS THIS SERVICE/FUNCTION/POLICY/PROCEDURE/PROJECT/ STRATEGY TO THE GENERAL PUBLIC?

High visibility to general public

(H)

Medium visibility to general public

(M)

Low visibility to general public

✓ (L)

(b) WHAT IS THE POTENTIAL RISK TO THE COUNCIL'S REPUTATION? (Consider the following impacts – legal, financial, political, media, public perception etc...)

High risk to reputation

(H)

Medium risk to reputation

✓ (M)

Low risk to reputation

(L)

Q6 Will this initiative have an impact (however minor) on any other Council service?

✓ Yes No **If yes, please provide details below**
 The cost of capital for all capital projects undertaken by the Authority is informed by the TM strategy

Q7 HOW DID YOU SCORE? Please tick the relevant box below – NOTE: Q3 counts as a single H, M or L (and one H / M outscores any n° of Ls)

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 after completing the EIA screening process you determine that this service/function/policy/project is not relevant for an EIA you must provide adequate explanation below.

This is a back office function which although important has little or no direct impact on the groups identified in Q3

Section 2

Please send this completed form to the Access to Services Team for agreement before obtaining email approval from your Head of Service.

Screening form completed by:	
Name: Jeff Dong	
Location: 1.4.1c civic centre	
Telephone Number: 6934	
	Date: 1/11/19
Approval by Head of Service:	
Name: Ben Smith	
Position: S 151 Officer	
	Date: 1/11/19

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 14.



Report of the Head of Democratic Services

Council - 27 November 2019

Independent Remuneration Panel for Wales (IRPW) Draft Annual Report 2020-2021 - Consultation

Purpose:	To approve the recommendations of the Democratic Services Committee as the Authority's response to the Independent Remuneration Panel for Wales' (IRPW) Draft Annual Report 2020-2021.
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The comments and observations as set out in Appendix A of the report be approved as the Authority's response to the Independent Remuneration Panel for Wales.
Report Author:	Huw Evans
Finance Officers:	Ben Smith / Jeff Dong
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar

1. Introduction

- 1.1 The Independent Remuneration Panel for Wales (IRPW) is tasked with setting the remuneration levels for Councils in Wales. Each year, they publish a Draft Annual Report which is circulated for consultation. The Draft Report may be viewed at <https://gov.wales/independent-remuneration-panel-wales-draft-annual-report-2020-2021>. The consultation period closes on 10 December 2019. The final IRPW report will be published in February 2020.
- 1.2 The Democratic Services Committee at its meeting on 6 November 2019 considered the IRPW Draft Annual Report and recommended that their comments and observations be adopted by Council as the Authority's

response to the consultation. This report sets out the determinations affecting the City and County of Swansea and proposes responses as necessary.

2. Determinations within the IRPW Draft Annual Report 2020

- 2.1 The IRPW Draft Annual Report contains a number of determinations that don't affect the City and County of Swansea and are omitted from this report.
- 2.2 An "Extract of the Determinations of the IRPW Draft Annual Report and City and County of Swansea's Comments" is appended as **Appendix A**. The Appendix seeks to stimulate debate and ultimately a formal response to the IRPW consultation.

3. Equality and Engagement Implications

- 3.1 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.

- 3.2 There are no equality implications in relation to this report.

4. Financial Implications

- 4.1 The IRPW has proposed an increase of £350 / 2.5% to the Basic Salary in order to avoid further erosion in relation to average earning.
- 4.2 The total theoretical financial cost envelope as a result of these draft IRPW determinations is £25,200 and this will need to be fully reflected in future budgets from 2020-2021. The actual cost in any one year will depend upon who holds any of the Civic or Senior Salary Offices in year (i.e. where one Councillor might discharge two roles but only receive one higher allowance).

5. Legal Implications

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

Background Papers: None.

Appendices:

Appendix A Extract of the Determinations of the IRPW Draft Annual Report and City and County of Swansea's Comments.

Extract of the Determinations of the IRPW Draft Annual Report 2020-2021 and the City and County of Swansea's Comments

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

General Observations	
1)	<p>Use of the terms “Elected Member” and “Elected Members. The Authority suggests that the terms “Councillor” and “Councillors” be used instead, to make the document more user friendly for the public. Swansea Council has made this observation annually for the past few years and would welcome feedback on this suggestion.</p>
2)	<p>Decisions of Council Required. The Council notes and welcomes that the IRPW is keen to ensure that there are no options relating to levels of remuneration by Principal Councils that require a decision of full Council. However, there remains a number of areas where a decision of full Council is required. It would be useful, if those options were removed. One example is set out below:</p>
2a)	<p>Section 9 - Payments to Co-opted Members of Principal Councils, National Park Authorities and Fire and Rescue Authorities Paragraph 9.2 states that a Principal Council “<i>can decide on the maximum number of days in any one year for which Co-opted Members may be paid</i>”.</p> <p>The Authority suggests that a further determination should be added allowing the Head of Democratic Services or other Appropriate Officer to determine each request for payment on merit in advance of the meeting. Such a determination could be drafted as follows:</p> <p>“The Head of Democratic Services or other Appropriate Officer within the Authority must determine in advance whether a meeting or other activity is eligible for payment to a Co-opted Member”.</p>
3)	<p>Annex 4 Publication of Remuneration - The Panel's Requirements Paragraph 1f) states: <i>“In respect of the publication of the reimbursement of the costs of care, the Panel has decided that relevant authorities should only publish the total amount reimbursed during the year. It is a matter for each authority to determine its response to any Freedom of Information requests it receives. However, it is not intended that details of individual claims should be disclosed”.</i></p> <p>This Authority has traditionally published the amount that an individual Councillor claims under the Reimbursement of Costs of Care. The Authority has explained to those that question the reason for such payments and robustly supported such payments. The Reimbursement of Costs of Care in an important factor in providing financial support to allow those Councillors and Co-opted Members with caring responsibilities to get appropriate support in order to allow them to undertake their respective duties.</p>

	<p>This Authority supports this change and hopes that it will encourage more Councillors and Co-opted Members to come forward to utilise the financial assistance on offer.</p> <p>This decision by the IRPW may also encourage diversity in democracy by attracting new candidates to stand for election. Hopefully, it will strengthen the membership of Local Authorities to adequately reflect the demographic and cultural make-up of the communities that Authorities such as Swansea serve.</p>
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Observations Relating to Section 3 “Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries

<p>1)</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 77</p>	<p>The Council notes that the following paragraphs extracted from the IRPW’s Draft Annual Report 2020-2021:</p> <p><i>“3.1 In 2009 the Panel set the maximum basic salary at £13,868, representing three fifths of the then median gross earnings of all full-time employees resident in Wales as reported in the Annual Survey of Hourly Earnings (ASHE) published by the Office of National Statistics. The Panel assessed it appropriate to use a figure comparable with constituents’ pay, adjusted for the part-time nature of the work of a member with no senior responsibilities. This identical figure of £13,868 was determined as the basic salary in the IRPW 2019 annual report, ten years on.</i></p> <p><i>3.1.1 Over this last decade, taking account of affordability and acceptability, the Panel has determined figures for basic salary which have varied but have not kept pace with measures of inflation or other possible comparators. Table 1, illustrated by Graph 1, demonstrates the rate of increase of these alternative measures on the basic salary from 2012 of £13,175. Table 2 expresses these increases as a percentage year on year. The various comparators analysed are Retail Prices Index, Consumer Prices Index, Wales Median Salary (ASHE), NJC (public sector employees), Living Wage, Assembly Members, and MPs. This is calculated on an assumption that the basic activity required of an elected member (i.e. without the additional work required for a senior salary) is equivalent to three days’ work a week. The Panel acknowledges that many members routinely work in excess of these hours, as analysed in paragraphs 3.2 and 3.3. It follows that, other than the Basic Elected Member figure, the amounts shown are predictive and notional.</i></p> <p><i>3.1.2 To set this in the context of other Welsh elected members, over this same 8-year period an assembly member’s salary has increased by 25.6% (£53,852 to £67,649 - now indexed to Average Salaries in Wales ASHE) and an MP’s salary has increased by 22.4% (£65,738 to £79,468, again linked to constituents’ pay).</i></p> <p><i>3.1.3 Thus, backbench members’ salaries have fallen significantly behind by any reasonable measure of inflation.”</i></p>
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2)	<p>Paragraph 3.5 “This salary shall be paid by each principal authority in Wales from 1 April 2020 to each of its elected members unless any individual member opts personally and in writing to receive a lower amount”.</p> <p>Councillor Salaries have traditionally been paid based on the Municipal Year of an Authority. As such, the determinations of the IRPW would take effect from the date of an Authorities Annual Meeting of Council (normally May).</p> <p>This paragraph alters that long standing system and puts in place a system which would create additional administration work for an Authority, potentially confuse Councillors and the public.</p> <p>Councillors are appointed to the Cabinet and to Committees etc. at the Annual Meeting of Council. Their term of office runs for the Municipal Year. The new system suggested by the IRPW would mean that an Authority would pay a Salary to a Councillor for the period of the Annual Meeting of Council until 31 March and then have to recalculate the payment for the period 1 April to the date of the Annual Meeting. This will mean that the figures quoted by an Authority in its “Statements of Payments” as required by the IRPW will never actually accord with the amount that the IRPW states should be paid as the payment will have straddled 2 separate IRPW Annual Reports.</p> <p>This is an unwelcomed change and the Authority respectfully asks that it be reconsidered and changed back to the date of the Annual Meeting of Council and run for the whole of the Municipal Year.</p>
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Section 3 - Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries

Determination 1	The Basic Salary in 2020/21 for elected members of principal councils shall be £14,218 with effect from 1 April 2020.
Comments	This is a rise of £350 per Councillor. Given the explanation for the pay rise as outlined above, the Authority makes no comment on the increase; however it urges the IRPW to reconsider the effective date of payment and to re-align it with the date of the Annual Meeting of Council and that it run for the Municipal Year.

Determination 2	Senior Salary levels in 2020/21 for members of principal councils shall be as set out in Table 5 (of the IRPW Report) with effect from 1 April 2020. <i>The proposed and current levels are outlined below for ease.</i>
Comments	Senior Salaries include the Basic Salary element. They have all raised by £350 in line with Determination 1. There has been no further change to Senior Salaries. Given the explanation for the pay rise as outlined above, the Authority makes no comment on the increase; however it urges the IRPW to reconsider the effective date of payment and to re-align it with the date of the Annual Meeting of Council and that it run for the Municipal Year. Determination 2 of the IRPW would have the following effect:

Senior Salaries (inclusive of basic salary) - Group A Councils	Current 2019/20	Proposed 2020/21
Band 1 Leader Deputy Leader	£54,100 £38,100	£54,450 £38,450
Band 2 Executive Members	£33,100	£33,450
Band 3 Committee Chairs (if remunerated)	£22,568	£22,918
Band 4 Leader of the Largest Opposition Group	£22,568	£22,918
Band 5 Leader of Other Political Groups	£17,568	£17,918

Determination 3	Where paid, a Civic Head must be paid a Band 3 salary of £22,918 and, where paid, a Deputy Civic Head must be paid a Band 5 salary of £17,918 with effect from 1 April 2020.
Comments	Civic Salaries include the Basic Salary element. They have all raised by £350 in line with Determination 1. There has been no further change to Senior Salaries. Given the explanation for the pay rise as outlined above, the Authority makes no comment on the increase; however it urges the IRPW to reconsider the effective date of payment and to re-align it with the date of the Annual Meeting of Council and that it run for the Municipal Year.

Civic Salaries (inclusive of Basic Salary)	Current 2019/20		Proposed 2020/21	
	Civic Leader	Dep Civic Leader	Civic Leader	Dep Civic Leader
Responsibility Level	£22,568	£17,568	£22,918	£17,918

Determination 4	Where appointed and if remunerated, a Presiding Member must be paid a Band 3 Senior salary of £22,918.
Comments	This has raised by £350 in line with Determination 1. The Presiding Member within the City and County of Swansea is not remunerated. No comment.

Determination 5	The post of Deputy Presiding Member will not be remunerated.
Comments	No Change. Agreed.

Determination 6	<p>a) An elected member must not be remunerated for more than one senior post within their authority.</p> <p>b) An elected member must not be paid a senior salary and a civic salary.</p> <p>c) All senior and civic salaries are paid inclusive of basic salary.</p> <p>d) If a council chooses to have more than one remunerated deputy leader, the difference between the senior salary for the deputy leader and other executive members should be divided by the number of deputy leaders and added to the senior salary for other executive members in order to calculate the senior salary payable to each deputy leader.</p>
Comments	No Change. Agreed.

Determination 7	Members in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA or FRA to which they have been appointed. They remain eligible to claim travel and subsistence expenses and reimbursement of costs of care.
Comments	No Change. Agreed.

Determination 8	Members in receipt of a Band 1 or Band 2 salary cannot receive any payment from a Community or Town Council of which they are a member other than travel and subsistence expenses and reimbursement of costs of care.
Comments	No Comment. Agreed.

Determination 9	Each authority, through its Democratic Services Committee, must ensure that all its elected members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone, email and internet facilities giving electronic access to appropriate information.
Comments	No Comment. Agreed.

Determination 10	Such support should be without cost to the individual member. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and or efficiency of members.
Comments	No Comment. Agreed.

Determination 11	Principal Councils can apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
Comments	No Comment. Agreed.

Section 5 - Pension provision for Elected Members of Principal Councils

Determination 12	The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.
Comments	No Change. Agreed.

Section 6 – Entitlement to Family Absence

Determination 13	An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of the family absence.
Comments	No Change. Agreed.

Determination 14	When a senior salary holder is eligible for family absence, they will continue to receive the salary for the duration of the absence.
Comments	No Change. Agreed.

Determination 15	It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.
Comments	No Change. Agreed.

Determination 16	If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to the Isle of Anglesey or Merthyr Tydfil Councils if it would result in the number of senior salaries exceeding fifty percent of the Council membership. Specific approval of Welsh Ministers is required in such circumstances.
Comments	No Change. Agreed.

Determination 17	When a Council agrees a paid substitution for family absence the Panel must be informed within 14 days of the date of the decision, of the details including the particular post and the duration of the substitution.
Comments	No Change. Agreed.

Determination 18	The Council's schedule of remuneration must be amended to reflect the implication of the family absence.
Comments	No Change. Agreed.

Section 7 - Payments to Members of National Park Authorities

Determinations 19-26 relate to Members of National Park Authorities. The Authority does not have any Councillors that are Members of National Park Authorities. No comment.

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

Determination 27	The basic salary for FRA ordinary members shall be £2,005.
Comments	There are 7 Swansea Councillors that are Members of Welsh Fire and Rescue Authorities. This determination would lead to an increase of £225 per Councillor which would be payable by the Fire and Rescue Service. No comment.

Determination 28	The senior salary of the Chair of an FRA shall be £10,705.
Comments	This determination would lead to an increase of £225 for the Chair of the FRA which would be payable by the Fire and Rescue Service. No comment.

Determination 29	An FRA senior salary of £5,705 must be paid to the Deputy Chair where appointed.
Comments	This determination would lead to an increase of £225 for the Deputy Chair of the FRA which would be payable by the Fire and Rescue Service. No comment.

Determination 30	Up to two Chairs of committees can be paid. This shall be paid at £5,705.
Comments	This determination would lead to an increase of £225 for up to 2 Chairs of Committees of the FRA which would be payable by the Fire and Rescue Service. No comment.

Determination 31	FRAs can apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
Comments	No Comment. Agreed.

Determination 32	Members must not receive more than one FRA senior salary.
Comments	No Comment. Agreed

Determination 33	A FRA senior salary is paid inclusive of the FRA basic salary and must reflect significant and sustained responsibility.
Comments	No Comment. Agreed.

Determination 34	Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any FRA to which they have been nominated.
Comments	No Comment. Agreed.

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

Determination 35	Principal councils, NPAs and FRAs must pay the following fees to co-opted members who have voting rights Table 8 (of the IRPW Report).
Comments	No Change. Agreed.

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

Determination 36	Reasonable time for pre-meeting preparation is to be included in claims made by co-opted members the extent of which can be determined by the appropriate officer in advance of the meeting.
Comments	No Change. Agreed.

Determination 37	Travelling time to and from the place of the meeting is to be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).
Comments	No Change. Agreed.

Determination 38	The appropriate officer within the authority must determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.
Comments	No Change. Agreed.

Determination 39	Fees must be paid for meetings and other activities including other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.
Comments	No Change. Agreed.

Determination 40	Each authority, through its Democratic Services Committee or other appropriate committee, must ensure that all voting co-opted members are given as much support as is necessary to enable them to fulfil their duties effectively. Such support should be without cost to the individual member.
Comments	No Change. Agreed.

Section 10 – Reimbursement of Costs of Care

Determination 41	All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement must be for the additional costs incurred by members to enable them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.
Comments	No Change. Agreed.

Section 13 - Payments to Members of Community and Town Councils

Determinations 42-51 relate to Community / Town Councils. They are listed below for information only.

Determination 42	All community and town councils must make available a payment to each of their members of £150 per year as a contribution to costs and expenses.
Comments	No Comment. Agreed.
Determination 43	Community and town councils in Group A must make available an annual payment of £500 each to a minimum of 1 and a maximum of 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.
Comments	No Comment. Agreed.
Determination 44	Community and town councils in Groups B or C can make an annual payment of up to £500 each to up to 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.
Comments	No Comment. Agreed.
Determination 45	Community and town councils can make payments to each of their members in respect of travel costs for attending approved duties. Such payments must be the actual costs of travel by public transport or the HMRC mileage allowances as below: <ul style="list-style-type: none">• 45p per mile up to 10,000 miles in the year.• 25p per mile over 10,000 miles.• 5p per mile per passenger carried on authority business.• 24p per mile for private motor cycles.• 20p per mile for bicycles.
Comments	No Comment. Agreed.

Determination 46	<p>If a community or town council resolves that a particular duty requires an overnight stay, it can authorise reimbursement of subsistence expenses to its members at the maximum rates set out below on the basis of receipted claims:</p> <ul style="list-style-type: none"> • £28 per 24-hour period allowance for meals, including breakfast where not provided. • £200 - London overnight. • £95 - elsewhere overnight. • £30 - staying with friends and/or family overnight.
Comments	No Comment. Agreed.

Determination 47	<p>Community and town councils can pay financial loss compensation to each of their members, where such loss has occurred, for attending approved duties as follows:</p> <ul style="list-style-type: none"> • Up to £55.50 for each period not exceeding 4 hours. • Up to £110.00 for each period exceeding 4 hours but not exceeding 24 hours.
Comments	No Comment. Agreed.

Determination 48	<p>All community and town councils must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement must be for the additional costs incurred by members to enable them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.</p>
Comments	No Comment. Agreed.

Determination 49	<p>Community and town councils can provide a payment to the mayor or chair of the council up to a maximum of £1,500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.</p>
Comments	No Comment. Agreed.

Determination 50	<p>Community and town councils can provide a payment to the deputy mayor or deputy chair of the council up to a maximum of £500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.</p>
Comments	No Comment. Agreed.

Determination 51	Members in receipt of a Band 1 or Band 2 senior salary from a principal council (that is Leader, Deputy Leader or Executive Member) cannot receive any payment from any community or town council, other than travel and subsistence expenses and reimbursement of costs of care.
Comments	No Comment. Agreed.

Agenda Item 15.



Report of the Chair of the Scrutiny Programme Committee

Council – 27 November 2019

Scrutiny Dispatches – Quarterly Impact Report

Purpose:	To present the quarterly report from the Scrutiny Programme Committee to Council on the impact of scrutiny.
Policy Framework:	None
Consultation:	Finance, Legal, Access to Services
Report Author:	Brij Madahar
Finance Officer:	Paul Cridland
Legal Officer:	Debbie Smith
Access to Services Officer:	Catherine Window
For Discussion	

1. Introduction

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

2. Scrutiny Dispatches

- 2.1 'Scrutiny Dispatches' is intended to demonstrate scrutiny achievements and outcomes. It is effectively a regular report about impact and how scrutiny is making a difference, rather than a descriptive account of scrutiny activities. The aim is to focus on and promote a small number of 'significant stories'. A chair's roundup is also featured to highlight other work.
- 2.2 The quarterly report is attached for Council discussion – see **Appendix 1**.
- 2.3 This issue features scrutiny of:
- Equalities
 - Cabinet Members through Committee Q & A Sessions
 - Adult Social Services (Supported Living), and
 - Brexit preparedness

The chair's roundup talks about the new work programme and progress, lead scrutiny councillors, the recent published Scrutiny Annual Report, and picking up public concerns.

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

3. Equality & Engagement Implications

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

4. Financial Implications

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

5. Legal Implications

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

Background Papers: None

Appendices:

Appendix 1 – Scrutiny Dispatches

Scrutiny Dispatches

City & County of Swansea – 2019/2020 (No. 1)

‘How scrutiny councillors are making a difference’



Ensuring Swansea Council is meeting its Equalities duties

Scrutiny Councillors have carried out an in-depth inquiry to examine how well the Council is meeting its duties under the Equality Act 2010

(Lead: Councillor Louise Gibbard)

The Convener of the Equalities Scrutiny Inquiry Panel, Councillor Louise Gibbard, said ‘*We chose to look at this issue because it features highly in the list of issues that Councillors and the general public are concerned about. It has provided scrutiny councillors with the opportunity, ten years on from the passing of the Equality Act, to reflect on how far we have come as a city and a local authority to embed the principles of equality and diversity in all we do.*’

Councillors sitting on this Inquiry Panel heard from people from different groups and organisations across Swansea, including: young people, older people, people from the LGBT Forum, Carers, and people from the Black & Minority Ethnic Forum.

Councillors also spoke to Council Directors in order to understand the equalities aspects within their remit including how they are progressing with their equalities objectives, the embedding of the council’s equalities duties and staff training/knowledge.

The Panel found that ‘Swansea Council does treat people fairly but this could be improved’. The Panel concluded that there are seven ways in which Swansea Council can improve how it meets its equalities duties, by:

1. Keeping a close eye on the national picture and how that impacts us locally
2. Continuing to build upon the commitment to equality and diversity already evident within the Council
3. Ensuring effective policy, practice and processes are in place that meet and help embed the Equalities Duty
4. Improving the accessibility of Council services
5. Improving how we work with and learn from others
6. Continuing to improve how we consult and engage
7. Protecting future generations

Following this inquiry the council has already decided to establish an Equalities & Future Generations Policy Development Committee that will help the Council to identify and take forward actions to implement the inquiry recommendations.

The [final inquiry report](#) was presented to Cabinet on 19 September and it was very well received. Councillor Clive Lloyd, who is the Cabinet Member responsible for Equalities, thanked all who took part in the inquiry, welcomed the inquiry report as he thought it was ‘timely’ and added ‘*it is really pleasing the amount of engagement that took place through this Panel with outside bodies in terms of demonstrating how the council interacts in a proper equalities manner in line with our strategic equality plan. I think this was a good example of excellent co-production, listening and delivering an inquiry which really focussed on what people and groups think of the Council rather than it being member led*’

A decision on the inquiry recommendations is expected at the Cabinet meeting on 21 November.

Holding Cabinet Members to Account

The Scrutiny Programme Committee continues to hold cabinet members to account through monthly Q&A sessions. Acting as a 'critical friend' Scrutiny Councillors challenge Cabinet Members on their priorities, actions, achievements and impact.

(Lead: Councillor Mary Jones)

The Committee recently met with Cllr Andrea Lewis, Cabinet Member for Homes & Energy, and questioned her on various aspects of her portfolio including progress made with the Council's adoption of the 'Housing First' model and approach to tackling homelessness. Cllr Lewis reported that accommodation and intensive support for the most entrenched rough sleepers in Swansea can be achieved through this model. She added that there is a capacity to work with up to 20 individuals with an Intervention Team on hand and through multi-agency working to help these individuals access housing and the support they need to help sustain it. The Committee wrote to Cllr Lewis following the session asking for the planned start date for 'Housing First' and for more details on support expected from the local health board.

Members of the public are invited to contribute ideas to the Scrutiny Programme Committee's Q&A sessions. We have now introduced an [online submission form](#) to further simplify and promote engagement with the general public.

Upcoming Q&A Sessions

13 Jan 2020:

Cllr. Rob Stewart
(Leader): Economy & Strategy

10 Feb 2020:

Cllr. Mark Thomas:
Environment & Infrastructure Management

9 March 2020:

Cllr. Robert Francis-Davies: Investment, Regeneration & Tourism

Continuing to listen to the people of Swansea

Councillor-led scrutiny enables the voice and concerns of the public to be heard. The Adult Services Scrutiny Performance Panel has held focus groups to listen to the views of parents of adults with Mental Health Issues and Learning Disabilities who require supported living arrangements.

(Lead: Councillor Peter Black)

The Adult Services Scrutiny Panel has been keen to engage more widely and gather external perspectives to support its monitoring of performance and challenge to services. Before considering a report from the Cabinet Member for Health, Care & Ageing Well, Councillor Mark Child, on 'Supported Living Developments for Mental Health and Learning Disability Services' the Scrutiny Panel heard what parents of adults with Mental Health Issues & Learning Disabilities who are either in supported living or are on the waiting list for supported living, thought of the service.

Scrutiny councillors were able to discuss and question Cllr Child and senior officers about their assessment of services in light of the concerns raised by the parents including:

- Lack of communication between parents & care providers
- Care plans and contracts not deemed transparent and many parents expressed concerns about not having access to their adult children's care plans
- High level of carer staff turnover
- Lack of training of carer staff
- Instability brought forth by change of management and/or care provider affecting the service users' well-being

Cllr Peter Black, convenor of this Panel wrote to Cllr Child to reflect on the Panel's findings.

Following on from these meetings two further focus groups have been arranged as requested by the parents for both the Adult Services and the Child & Family Services Scrutiny Panels to listen to views of carers focussing on 'Carers Assessments'.



Preparing for Brexit

A one off Scrutiny Working Group took place to look at the Authority's plans in preparation for Brexit.

(Lead: Cllr Peter Jones)

Scrutiny Councillors were reassured by the information provided at the meeting and felt the Authority is as prepared as it can be for Brexit. They would like to see the Authority publicise the good work it is doing to communicate this message.

The Working Group was pleased to hear that some monies are in place to help fund preparations for Brexit. However, this will not cover all the costs of managing and monitoring this work and Scrutiny Councillors suggested that the Authority will need to look at ways of getting this money back.

Scrutiny Councillors also felt concerned about any potential fuel crisis, as this could have a huge impact on communities should it go on for months. Their main concern was how the public would be able to continue accessing transport to work as well as emergency services. The Working Group acknowledged that there should not be a fuel shortage but if there is panic buying it could cause one and they wanted to know what the Authority could do to help.

In his response to the Working Group, the Leader of the Council has reassured that *'the likelihood of any disruption to fuel supplies is very low and this is agreed by all partners who have business continuity plans in-place; many of the emergency services have significant fuel reserves like ourselves in addition to our electric vehicle fleet. Public transportation has also been planning for some time and have contingency plans in-place to ensure service delivery. There has also been a significant amount of workaround communications, a part of which will be reassurance messaging to help prevent any false emergency being caused through panic buying'*.



Chair's Round up

This is my first roundup of the work of scrutiny for 2019/20, as Chair of the Scrutiny Programme Committee.

(Lead: Councillor Mary Jones)

Priorities for 2019/20

The Scrutiny Work Programme was agreed by the Committee in July, following our annual Work Planning Conference in June. All scrutiny councillors were invited to participate in an informal discussion on priorities for scrutiny, reflecting on last year's programme, hearing about council priorities and challenges, and views gathered from surveys, including issues raised by the public.

The Work Programme contains a varied selection of topics that shows the focus for scrutiny over the coming year. It represents strategic issues balanced with community concerns to ensure that scrutiny is always looking at the right things, and making good use of limited time and resources. A significant feature of the Work Programme is regular in-depth monitoring and challenge of performance in key areas, including Education and Social Services, through a number of Performance Panels. A new Performance Panel has been set up to focus on Natural Environment, aligned with the new Council Priority on maintaining and enhancing Swansea's natural resources and biodiversity, to monitor delivery of Council commitments, and ensure there is an ongoing conversation between scrutiny and the executive on performance.

However, we also identify topics either for in-depth Inquiry or light-touch Working Groups. Our inquiry will look at Procurement, which will focus on what the Council is doing to ensure it procures locally, ethically, and greenly while being cost effective and transparent in its practices.

In terms of one-off Working Groups, we have already looked at the Council's preparedness for Brexit. Other topics will include a look at: Staff Health & Well-being, Road Safety, and Digital Inclusion.

Lead Scrutiny Councillors

I want to thank all of the councillors who lead or participate in scrutiny, and we are keen to explore and address any barriers to participation that may exist. Councillors leading different parts of this year's Scrutiny Work Programme are:

Procurement Inquiry Panel	- Cllr. Chris Holley
Adult Services Performance Panel	- Cllr. Peter Black
Child & Family Services Performance Panel	- Cllr. Paxton Hood-Williams
Development & Regeneration Performance Panel	- Cllr. Jeff Jones
Education Performance Panel	- Cllr. Lyndon Jones
Natural Environment Performance Panel	- Cllr. Peter Jones
Public Services Board Performance Panel	- Chair of Scrutiny Programme Committee
Service Improvement & Finance Performance Panel	- Cllr. Chris Holley
Brexit Working Group	- Cllr. Peter Jones
Staff Health & Well-being Working Group	- Cllr. Cyril Anderson
Road Safety Working Group	- Cllr. Steve Gallagher
Digital Inclusion Working Group	- Cllr. Lesley Walton

Annual Report published

Looking back at 2018/19, I was proud to present our second Scrutiny Annual Report of this Council term to Council (Oct). The report reflected on the range of different activities carried out by scrutiny councillors over the past year to make sure the work of the Council is accountable and transparent, effective and efficient, and helps the Council to achieve its objectives and drive improvement, by questioning and providing challenge to decision-makers. It focuses on how scrutiny has made a difference for a better Swansea, and our efforts to support the continuous improvement of scrutiny practice here, building on the positive review of our scrutiny arrangements last year by the Wales Audit Office.

Picking Up Public Concerns

Following a public request for scrutiny we agreed to convene a meeting to look at concerns about urban gulls and nuisance. A meeting of the Natural Environment Performance Panel was held on 22 October to listen to these concerns, and consider different perspectives on the issue including the Council's position, and views from the RSPB. The Panel will be writing to the Cabinet Member for Environment & Infrastructure Management, Cllr. Mark Thomas, with its views and recommendations that could help to address the problem, including actions to discourage public feeding and improve food waste storage and disposal. Even with a work programme agreed requests for scrutiny from any scrutiny councillor or member of the public can be made throughout the year. I will consider any issue raised and, with the committee's agreement, determine how best scrutiny can deal with it to make a difference.

Making the work of scrutiny transparent and accessible

Scrutiny agenda packs are available on the Council's 'agenda and minutes' webpage. There you can also find scrutiny letters sent to cabinet members following meetings and responses. Our meetings are open to the public and anyone living or working in Swansea can suggest a topic for scrutiny. There are also opportunities for anyone to suggest questions, and submit views. To keep an eye on what's going see the links below, subscribe to our newsletter, or even follow us on Twitter.

Councillor Mary Jones

Connect with Scrutiny:

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Agenda Item 16.



Report of the Head of Democratic Services

Council - 27 November 2019

Reimbursement of Costs of Care

Purpose:	To promote the Independent Remuneration Panel for Wales' (IRPW) determination in relation to the Reimbursement of Costs of Care and to encourage take up of the reimbursement.
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Report Author:	Huw Evans
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar
For Information	

1. Introduction

- 1.1 The Independent Remuneration Panel for Wales (IRPW) is tasked with setting the remuneration levels for Councils in Wales. Their latest Annual Report 2019-2020 may be viewed at <https://gov.wales/independent-remuneration-panel-wales-annual-report-2019-2020>.
- 1.2 Since the inception of the IRPW in January 2008 and each of its Annual Reports there has been a Section relating to Care, aiming to assist Councillors and Co-opted Members with any caring responsibilities in order to enable them to carry out their Council related duties.
- 1.3 Council related duties include carrying out Electoral Ward Work; Reading Agenda prior to a Meeting, Attending a Meeting etc., together with Approved Duties.

- 1.4 The Democratic Services Committee at its meeting on 6 November 2019 considered the “Reimbursement of Costs of Care” report and recommended it be forwarded to Council for information.

2. Diversity in Democracy

- 2.1 The Head of Democratic Services was the Officer Representative on the Welsh Government’s “Diversity in Democracy Steering Group”. That Group worked tirelessly to try and encourage more diverse candidates from a variety of backgrounds to stand in the May 2017 Local Government Elections with the aim of having candidates that were more representative of the community.
- 2.2 The Head of Democratic Services and Councillor M Sherwood sit on the Welsh Local Government Association (WLGA) Working Group on Diversity in Local Democracy. The aim being similar to the above with the target being the Local Elections in May 2022.
- 2.3 The Reimbursement of Costs of Care will assist those Councillors and Co-opted Members with caring responsibilities. This in turn may help to increase diversity in democracy by encouraging people to stand as candidates as the caring responsibility barrier is removed.
- 2.4 The IRPW believe that *“Democracy is strengthened when the membership of Local Authorities adequately reflects the demographic and cultural make-up of the communities such Authorities serve. The Panel will always take in to account the contribution its Framework can make in encouraging the participation of those who are significantly under-represented at Local Authority level.”*
- 2.5 The IRPW has continued to contribute to enhancing Diversity in Local Government in Wales through its determinations. They produced a leaflet for prospective candidates on the Remuneration of Members of Councils. This may be viewed at <https://gov.wales/payments-elected-members/principal-councils>.
- 2.6 The IRPW have also produced a short video entitled [Ever thought about being a Welsh councillor?](#) This may be viewed at <https://www.youtube.com/watch?v=h3o0eKrX2Ds&feature=youtu.be>

3. What is the Reimbursement of Costs of Care?

- 3.1 Local Authorities must provide for the payment to Councillors and Co-opted Members of an Authority the reimbursement in respect of such expenses of arranging the care of children or dependants or for the individual member as are necessarily incurred in carrying out official business as a Councillor or Co-opted Member of that Authority.
- 3.2 Councillors and Co-opted Members are entitled to reimbursement of their care costs, up to the maximum of £403 per month, for activities that the individual council has designated official business or an approved duty

which might include preparation and travelling time. It is a matter for individual authorities to determine specific arrangements to implement this.

3.3 **Appendix A** sets out an extract from Section 10 “Reimbursement of Costs of Care” of the IRPW Annual Report 2019-2020.

3.4 **Appendix B** sets out an extract from Annex 2 “Wales (IRPW) Regulations - Allowances - Costs of Care of Care” of the IRPW Annual Report 2019-2020

3.5 The Head of Democratic Services has designed a Reimbursement of Costs of Care “Claim Form” and a “Receipt” which are aimed at making the process simpler for Councillors and Co-opted Members. These forms are available on request from the Democratic Services Team.

4. Take up of the Reimbursement of Costs of Care?

4.1 During a number of recent visits to Local Authorities, the IRPW found that very few Councillors / Co-opted Members were utilising the Reimbursement of Costs of Care provision in their Annual Reports. The IRPW believe that many are reluctant to claim all they are entitled to support them in their Council role, because of concerns about the adverse publicity this can attract.

4.2 Swansea Council has the highest number of Councillors / Co-opted Members in Wales that have claimed; however this is still a small number, less than 5% of those eligible to claim. It is interesting to note that in Swansea, only those with childcare responsibilities have claimed. The Authority needs to promote this provision so that those with caring responsibilities for other dependents such as the elderly are encouraged to claim.

4.3 The IRPW’s publication requirement allows each Local Authority to decide whether to publish the total amounts paid out under the Reimbursement of Costs of Care provisions or to publish the amounts claimed by each individual under the provision. This Authority has always opted for the latter but has robustly rebuked any adverse publicity against any individual that has claimed.

4.4 It is important to note that the IRPW’s Draft Annual Report 2020-2021 which is currently out for consultation, has amended their publication requirement and states that the amount should not be published against an individual and only for the Authority as a whole.

5. Role of the Democratic Services Committee

5.1 The IRPW has urged each Democratic Services Committee to take steps to encourage and facilitate greater use of the Reimbursement of Costs of Care provision so that Councillors / Co-opted Members are not financially disadvantaged.

5.2 It is proposed that the Democratic Services Committee and the Head of Democratic Services promote the Reimbursement of Costs of Care provision

throughout the Authority. This work should begin with this report being presented to Council for information.

6. Equality and Engagement Implications

6.1 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.

6.2 There are no equality implications in relation to this report.

7. Financial Implications

7.1 Providing a Councillor / Co-opted Member meets the requirement to claim for the Reimbursement of Costs of Care, they are entitled to a payment not exceeding £403 per month. The total theoretical financial cost should all 80 claim (72 Councillors and 8 Statutory Co-opted Member) equates to £32,240 per month. However, this is highly unlikely as there are very few people that would be eligible for such a payment and history has shown that those that have claimed, do not claim the maximum monthly amount permitted.

8. Legal Implications

8.1 There are no specific legal implications associated with this report.

Background Papers: None.

Appendices:

- Appendix A Extract from Section 10 "Reimbursement of Costs of Care" of the IRPW Annual Report 2019-2020
- Appendix B Extract from Annex 2 "Wales (IRPW) Regulations - Allowances - Costs of Care of Care" of the IRPW Annual Report 2019-2020

**Extract from Section 10 “Reimbursement of Costs of Care” of the IRPW
Annual Report 2019-2020**

10 Reimbursement of Costs of Care

- 10.1 *This section applies to members of Principal Councils, National Park Authorities, Fire and Rescue Authorities and to Co-opted Members of these Authorities. The same provision for Community and Town Councils is set out in Section 13 (of the IRPW Annual Report).*
- 10.2 *The purpose of this section is to enable people who have personal support needs and or caring responsibilities to carry out their duties effectively as a member of an Authority. The Panel believes that additional costs of care required to carry out approved duties should not deter people from becoming and remaining a member of an Authority or limit their ability to carry out the role.*
- 10.3 *The Panel recognises the issues relating to the publication of this legitimate expense. This is reflected in change in the options for publication set out in Annex 4 (of the IRPW Annual Report). To support current members and to encourage diversity the Panel urges authorities to promote and encourage greater take-up of the reimbursement of costs of care.*

Determination 41: *All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement must be for the additional costs incurred by members to enable them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.”*

Extract from Annex 2 “Wales (IRPW) Regulations - Allowances - Costs of Care of Care” of the IRPW Annual Report 2019-2020

Allowances - Costs of Care

21. Authorities must provide for the payment to members and co-opted members of an authority the reimbursement in respect of such expenses of arranging the care of children or dependants or for the individual member as are necessarily incurred in carrying out official business as a member or co-opted member of that authority. Payments under this paragraph must not be made:
- In respect of any child over the age of fifteen years or dependant unless the member / co-opted member satisfies the authority that the child or dependant required supervision which has caused the member to incur expenses that were necessary in respect of the care of that child or dependant in the carrying out of the duties of a member or co-opted member.
 - To more than one member / co-opted member of the authority in relation to the care of the same child or dependant.
 - Of more than one reimbursement for care to a member or co-opted member of the authority who is unable to demonstrate to the satisfaction of the authority that the member / co-opted member has to make separate arrangements for the care of different children or dependants.
22. The maximum amount of the cost of care payable by an authority is to be determined by the Panel in its Annual or Supplementary Reports.
23. Where a member / co-opted member is suspended or partially suspended from being a member or co-opted member of the authority (Part 3 of the 2000 Act refers) the part of the reimbursement of the cost of care payable to that member / co-opted member in receipt of the responsibilities or duties from 81 which that member / co-opted member is suspended or partially suspended must be withheld by the authority (Section 155(1) of the Measure).
24. An authority’s Schedule must stipulate the maximum amount of the reimbursement of costs of care payable each month and its arrangements for making claims, taking full account of the Panel’s determinations in this respect.

Agenda Item 17.



Council – 27 November 2019

Councillors' Questions

Part A – Supplementaries

1	<p>Councillors Chris Holley, Mike Day, Mary Jones</p> <p>Will the Cabinet Member please give Council a list of income and expenditure for each of the council car parks over the last 4 years and</p> <ul style="list-style-type: none">(a) What is the income and expenditure from the parking enforcement department over the last 4 years,(b) What is the income received during the 'summer' charging period compared to the 'winter',(c) When can we expect all the ticket machines to have been upgraded. <p>Response of the Cabinet Member for Environment & Infrastructure Management</p> <p>Please see Appendix 1</p>
2	<p>Councillors Jeff Jones, Mary Jones, Susan Jones</p> <p>The Cabinet Member has told us in this Chamber that the reason the wood recycling has been moved to Llansamlet is that the wood can be segregated. Can he confirm that this is the case.</p> <p>Response of the Cabinet Member for Environment & Infrastructure Management</p> <p>I can confirm that the reason all waste wood was diverted to Llansamlet was for the flexibility to allow segregation of different wood types to be able to adjust to a changeable regulatory/market position.</p> <p>Prior to the implementation of the change, Natural Resources Wales (NRW) had written to all Authorities in Wales stating that Authorities could only claim their wood reprocessor's facility recycling rate, or assess the percentage of separately recyclable wood they receive at their recycling centres. The wood reprocessor contracted by the Council saw their facility recycling rate drop below 30% as they were sending a high quantity of wood, from other sources, to biomass. Being able to sort wood brought to us would enable us to maximise the percentage of separately recyclable wood sent for recycling, and then send the remainder to biomass directly as a non domestic operation, thereby mitigating the adverse impact on our recycling performance.</p> <p>Since the implementation of the change, we have been fortunate that our wood processor has been able to find an alternative facility to process our wood</p>

	<p>waste, thereby blending the mixed quality of wood with wood from other sources, achieving a facility rate of around 90%.</p> <p>Whilst this is the current position, the flexibility to segregate the different quality of woods remains important in case capacity at this alternative facility is lost, and because the Environment Agency, with NRW likely to follow, continue to consider changing how waste wood from Council Recycling Centres is going to be classified going forward.</p>
3	<p>Councillors Chris Holley, Graham Thomas, Wendy Fitzgerald</p> <p>Will the Leader/Cabinet Member tell Council what lease agreements are in place for Civic Centre and</p> <p>(a) Who holds them, (b) What are the timescales.</p> <p>Response of the Cabinet Member for Delivery & Performance</p> <p>(a) There are effectively two leasehold interests in the Civic Centre- Swansea University and National Academy for Educational Leadership (b) The leases expire 31st January 2021 and 2nd September 2021 respectively</p>
4	<p>Councillors Will Thomas & Myles Langstone</p> <p>In 2018 Mumbles Community Council requested an asset transfer of the toilet block and all the tennis courts at Langland Bay with the intention of dramatically improving the toilet and sports facilities at the site. This request was refused and the site remains in poor condition. With the double court site planned to be advertised for regeneration could the cabinet member confirm how many tennis courts will be advertised (and most likely lost) for sale/redevelopment, two or three? In my opinion a minimum of 4 tennis courts is needed to keep Langland's famous identity as a tennis destination. The LTA have also confirmed that they would need to see four fully refurbished courts to bring back the prestigious youth tournament that was stopped due to the state of the facilities. Could you please give me your opinion on this, do you agree that four courts as a minimum are required? The double court area is very large and offers ample room for commercial redevelopment, relocation of toilet facilities and sports and recreational facilities. If the community is to lose two tennis courts I would like to see other facilities such as better toilets, warm showers, changing area for surfers, basketball court, public seating area and a padel tennis court. Can the Cabinet Member commit to any potential developer having to improve facilities at the site.</p> <p>Response of the Cabinet Member for Investment, Regeneration & Tourism</p> <p>The Council has agreed to grant a 25 year lease (without security of Tenure) for 3 courts to Mumbles Community Council for the purpose of refurbishing the existing Tennis Courts. Lawyers are currently dealing with agreeing this documentation.</p> <p>With regard to the 4th "single" court Mumbles Community Council were told that it cannot be included until the development / improvement of public service</p>

	<p>opportunities at the site have been thoroughly explored but that it may become available to them if it is not essential for any proposed development project. The current intention is to advertise for development 3 courts, on the basis that any developer will be required to provide and maintain new public toilet facilities and that the that Council would like to see a mix of commercial and leisure facilities included. However, offers on any basis are welcome for consideration.</p> <p>The fact that the LTA have confirmed that four fully refurbished courts will be required to bring back the prestigious youth tournament is new information and this has not been formally communicated to the Council by the LTA/Tennis Wales.</p>
5	<p>Councillors Wendy Fitzgerald, Gareth Sullivan, Gordon Walker</p> <p>What advice is the Council providing to parents, schools and other care providers on how to protect children from the recognised dangers of EMF both current and following the deployment of 5G across Swansea.</p> <p>Response of the Cabinet Member for Environment & Infrastructure Management</p> <p>Advice has been received from Public Health Wales that 5G technology is safe. For concerns relating to both ionizing and non-ionizing radiation, like other UK public health bodies, Public Health Wales is advised by Public Health England's – Centre for Radiation, Chemical and Environmental Hazards (PHE-CRCE). PHE provides independent, impartial and authoritative advice on exposure to radiofrequencies and electromagnetic fields.</p> <p>The current professional evidence based advice is clear. The overall exposure is expected to remain very low relative to guidelines and as such there should be no consequences for public health.</p> <p>We are aware there are a number of unsubstantiated claims about 5G technology circulating. This is no different to what happened prior to the introduction of 3G and 4G.</p> <p>We understand the introduction of new technology can raise concerns and we have urged that this be kept under constant review by the National Government and national public health organisations.</p>
6	<p>Councillors Wendy Fitzgerald, Gareth Sullivan, Kevin Griffiths</p> <p>Given the increasing concerns about the health impacts of masts located close to residential areas can the Cabinet Member comment on the fact that these can be installed, despite objections from the public, under Prior Approval arrangements.</p> <p>Response of the Cabinet Member for Delivery & Performance</p> <p>The relevant prior approval process is prescribed by Welsh Government under the provisions of the Town & Country Planning (General Permitted Development) Order 1995 (as amended).</p>

	<p>Applications for telecommunication masts determined under these prior approval arrangements by this Authority are, however, subject to similar consultation arrangements and policy considerations as full planning applications for such developments. Any issues raised as part of the consultation exercise regarding the health impacts of such developments are, therefore, fully taken into account as part of this determination process.</p>
	<p>Part B – No Supplementaries</p>
7	<p>Councillors Peter May & Irene Mann</p> <p>Cases involving Swansea Council planning officers' interpretation of policy H9 on HMOs in the new LDP have recently been overturned twice on appeal by the planning inspectorate. The two cases in question were Montpelier Terrace (Uplands) and Ysgol St (St Thomas). The council leader has indicated in the press that "We intend to pursue this strongly"</p> <p>In response to our question to Council of the 24th October 2019, it was stated that: "...the Council are in the process of taking legal advice in relation to both appeal decisions. After considering the advice, legal proceedings will be issued if appropriate."</p> <p>a. What was the deadline for issuing the legal proceedings in each case? b. Has the legal advice now been taken and if so what will be the Council's course of action after taking it.</p> <p>Response of the Cabinet Member for Delivery & Performance</p> <p>a) 22nd and 23rd October 2019 respectively.</p> <p>b) Legal advice has been taken in respect of both appeal decisions. After considering the advice the Council have issued legal proceedings under s.288 of the Town and Country Planning Act 1990 for a statutory review of the appeal decision relating to 1 Montpelier Terrace, Swansea. The matter is currently being considered by the High Court of Justice. Based on legal advice no action is being taken in relation to 73 Ysgol Street, Swansea.</p>
8	<p>Councillors Peter Black, Chris Holley, Kevin Griffiths</p> <p>Will the Leader/Cabinet Member inform Council how much the new lighting outside The Guildhall cost and how was it financed.</p> <p>Response of the Cabinet Member for Investment, Regeneration & Tourism</p> <p>The total cost for the new lighting outside The Guildhall was £69,000. This was financed from the Building Capital Maintenance budget for 19/20, as approved by Cabinet on the 21st March 2019.</p>
9	<p>Councillors Lynda James, Mike Day, Gareth Sullivan</p> <p>What method is used to ascertain whether a property is deemed a second home especially if the owner lives outside the authority area.</p> <p>Response of the Leader / Cabinet Member for Resilience & Strategic Collaboration</p>

Although commonly referred to as 'second homes', the actual definition of this type of property is: A dwelling which is furnished and which is not the sole or main residence of an individual.

In other words it is a furnished property and no-one lives there as their normal home. The concept of 'sole or main residence' is a well-established principle in assessing council tax liability and is subject to significant case law that is referred to when deciding where someone's 'sole or main residence' lies. In the regulations that enable the charging of Council Tax premiums, these properties are also referred to as "dwellings occupied periodically".

When a person contacts the local authority to advise us that they have become the owner of a property, they are asked a series of questions relating to their ownership / occupation of the address. For example, when they became the owner, will they be residing in the property, their normal place of residence, is it tenanted and other questions the answers for which will allow the authority to correctly determine who should be liable for Council Tax, whether any discounts or exemptions should be applied and so the correct amount to be paid. It is during this process that we identify whether a property is a 'second home' based on the information provided. The same questions are initially asked of all owners, regardless of whether they live inside or outside of the Swansea area. Similar questions are asked in our online forms and in the paper forms left at empty dwellings by our property inspector.

In reality, many taxpayers just tell us the property has been bought as a holiday home so it is often a very clear cut statement of fact.

In the run up to the implementation of Council Tax premiums for 'second homes' from April 2021, we will review the various processes and forms involved in establishing Council Tax liability and the amount to be paid in order to ensure that our determinations remain accurate. It will be particularly important that we gather information that might lead us to determine that a property falls into one of the exceptions that would prevent a Council Tax premium being charged so additional questions may need to be asked and possibly supporting evidence provided by the owners.

10 **Councillors Peter May & Irene Mann**

Swansea Council has officially recognised and declared a " climate emergency " Can the Council respond to the concerns voiced by many residents with ref to the installation of 5G infrastructure which will increase carbon emissions exponentially.

Response of the Leader

5G will lead to an increase of data being transmitted wirelessly and this will lead to an increase of power consumption. However, this will be offset by the environmental benefits and efficiencies that 5G will bring.

This could include smart lighting, smart heating and other energy, health and environmental benefits. 5G will also improve and encourage more home working thus reducing the use of transport to the working place. Another potential benefit to 5G would be smart parking within the city centre, it is

	<p>estimated that smart parking could significantly reduce emissions and fuel consumption.</p> <p><i>A report by 02 highlights some benefits and efficiencies that a 5G-enabled Smart City would bring: https://d10wc7q7re41fz.cloudfront.net/wp-content/uploads/2018/03/Smart-Cities-Report.pdf</i></p>
11	<p>Councillors Peter May & Irene Mann</p> <p>The U.D.P.2008 supported the conversion of residential properties to HMOs subject to 5 criteria. This has resulted in a surfeit of HMOs in the area. Would the council consider supporting the conversion of HMOs to family homes by either providing a small grant or reduced council tax as incentive. This would function on 3 levels:</p> <ol style="list-style-type: none"> a) Rebalancing communities. b) Provide the council with an income stream HMOs do not normally pay council tax. c) Financing internal modifications to the property. <p>Response of the Cabinet Member for Delivery & Performance</p> <p>It is important to note that the definition of a HMO for Council Tax purposes is different to the definition of a HMO for Environmental Health purposes as different legislation applies. In its simplest terms, a Council Tax HMO is a property that is not occupied by a single household and the tenants do not have a right to occupy the whole of the property i.e. they rent a room with shared facilities. A property let to joint tenants who can decide themselves who occupies what areas is not a HMO for Council Tax purposes. Also, some larger HMOs may have been split into separate Council Tax assessments by the Valuation Office (VO) and if the VO agrees to merge them back into one unit it is likely that the overall Council Tax charge would be reduced.</p> <p>Under Section 13A of the Local Government Finance Act 1992 the Council has discretionary powers to reduce Council Tax liability to such extent as it thinks fit. The full cost of allowing this relief would have to be met by the authority.</p> <p>In order to allow a reduction The Authority's Council Tax Discretionary Relief Policy requires the taxpayer to provide evidence of financial hardship or personal circumstances that justifies a reduction in their Council Tax liability. The relief is therefore based on the circumstances of the taxpayer, not the location or type of the property. The taxpayer must also satisfy the Council that all reasonable steps have been taken to resolve their situation prior to application.</p> <p>Granting Section 13a relief purely because a taxpayer intends to convert a property from a HMO to a family home would not fall in line with that policy. It would have been a matter of personal choice to purchase the property and it would be reasonable to expect the purchaser to have sufficient financial resources available to meet the necessary costs without incurring financial hardship. To buy the property in other circumstances would have been a bold decision and the authority should not provide financial support in such circumstances as it could be seen to be using its limited financial resources to support property speculation at a cost to the other taxpayers in the area.</p>

However, depending on the extent of the work required at the property for conversion, Council Tax exemption class A allows a dwelling which is undergoing major repair work to render it habitable or is undergoing structural alteration to be exempt from Council Tax for a continuous period of up to 12 months. This is a statutory exemption and if the necessary criteria are satisfied could legitimately and fairly be awarded at no cost to the authority.

The Council does not offer a specific financial assistance scheme for such works. If however a particular HMO had been vacant for more than 6 months then the Council's Welsh Government funded empty homes loan scheme may be appropriate for any conversion works subject to an applicant satisfying relevant eligibility criteria.

Appendix 1

1) Will the Cabinet Member please give Council a list of income and expenditure for each of the council car parks over the last 4 years.

	Car Park Name	Income 15/16	Income 16/17	Income 17/18	Income 18/19
1	Bracelet Bay	£ 113,178	£ 130,094	£ 113,366	£ 111,554
2	Caswell Bay	£ 87,159	£ 89,185	£ 60,124	£ 112,570
3	Caswell Hill	£ 8,315	£ 6,624	£ 8,677	£ 12,071
4	Clyne Gardens	£ 43,814	£ 50,923	£ 34,865	£ 43,355
5	East Burrows Road	£ 43,717	£ 54,739	£ 58,135	£ 39,154
6	High Street MSCP P/Foot	£ 257,105	£ 312,836	£ 202,573	£ 112,586
7	Horton	£ 14,041	£ 8,975	£ 9,577	£ 13,591
8	Langland	£ 137,982	£ 166,176	£ 150,486	£ 143,286
9	Mariner Street	£ 150,427	£ 128,186	£ 130,984	£ 57,156
10	Northampton Lane	£ 42,806	£ 48,057	£ 53,008	£ 58,618
11	Oxford Street	£ 188,238	£ 221,066	£ 214,514	£ 207,312
12	Oystermouth Foreshore	£ 78,224	£ 48,164	£ 55,292	£ 62,120
13	Pau Square	***CLOSED***		£ 1,742	£ 2,293
14	Park Street East	£ 57,281	£ 46,250	£ 49,155	£ 45,768
15	Park Street West	£ 19,814	£ 18,169	£ 17,669	£ 17,033
16	Paxton Street	£ 62,602	£ 64,065	£ 60,131	£ 52,109
17	Pell Street	£ 69,746	£ 69,301	£ 71,985	£ 61,577
18	Pockets Wharf	£ 7,214	£ 6,163	£ 6,489	£ 4,123
19	Port Eynon	£ 58,678	£ 72,817	£ 67,325	£ 71,118
20	Post Office (The Strand)	£ 105,664	£ 138,844	£ 168,876	£ 71,302
21	The Quadrant MSCP - P/Foot	£ 650,271	£ 642,615	£ 595,956	£ 426,793
22	The Quarry	£ 69,069	£ 74,506	£ 88,442	£ 92,116
23	Salubrious Place P&D Sat only	£ 5,958	£ 12,473	£ 2,753	£ 2,770
24	Singleton Boating Lake	***PART OF CULTURE***		£ 106,060	£ 76,915
25	Sketty Lane	£ 35,905	£ 47,571	£ 45,121	£ 43,522
26	Southend	£ 101,440	£ 126,744	£ 111,680	£ 130,539
27	St. David's MSCP P/Foot	£ 290,014	£ 259,653	£ 290,920	£ 202,360
28	The Baths	£ 19,802	£ 31,506	£ 31,175	£ 20,908
29	The Dairy	£ 81,859	£ 55,593	£ 83,226	£ 86,745
30	Trawler Road	£ 32,305	£ 31,349	£ 28,138	£ 29,166
31	Worcester Place	£ 23,974	£ 33,658	£ 28,367	£ 26,950
32	360 Car Park	** PART OF CULTURE**		£ 41,201	£ 36,893
33	YMCA	£ 20,192	£ 18,997	£ 16,358	***CLOSED***
34	Oxford Street Bays	£ 8,312	£ 7,040	£ 5,888	£ 7,898
35	Plymouth Street Bays	£ 3,436	£ 2,461	£ 1,565	£ 1,942
36	The Strand Bay	£ 10,944	£ 23,470	£ 38,953	£ 32,231
37	Castle Street Bays	£ 10,839	£ 17,322	£ 17,724	£ 16,236
38	Fabian Way Park and Ride	£ 178,600	£ 160,784	£ 147,891	£ 103,012
39	Fforestfach Park and Ride	£ 87,056	£ 12,952	***CLOSED***	***CLOSED***
40	Landore Park and Ride	£ 175,342	£ 169,683	£ 155,824	£ 101,376

Budget	Expenditure 15/16	16/17	17/18	18/19
Car Parks & MSCPs	£1,937,417	£2,252,523	£1,626,263	£1,763,748
Park & Ride	£993,327	£807,174	£597,012	£662,145

****There are no individual budgets for each car park. There is an overall budget allocation for Car Parks Section for maintenance, salaries equipment etc.**

(a) What is the income and expenditure from the parking enforcement department over the last 4 years

Year	Income	Expenditure
15/16	£1,399,740	£1,309,086
16/17	£1,525,418	£1,305,500
17/18	£1,433,209	£1,325,700
18/19	£1,947,351	£1,334,500

Income generated from Penalty Charge Notices and 'on-street' parking charges is used to ensure the service is able to function without putting any demand on the councils budgets. Any surplus, once all expenditure is taken into account, is ring-fenced to be used for Highways, Transportation and Environmental purposes. This is a requirement of Section 55 of the Road Traffic regulations Act.

Income generated from 'off street' parking places, again is used to manage the service ensuring there is no demand on other budgets. Any surplus is reinvested back into the parking network and it also is used to contribute to the provision of Park and Ride services.

(b) What is the income received during the 'summer' charging period compared to the 'winter'

For 2018/2019 the new Summer and Winter charges were for Bracelet Bay, Languard, Caswell Hill, Caswell Bay, Port Eynon and Horton Car Parks only. The different periods were Summer tariff - 1st March 2018 to 31st October 2018 (8 months) and Winter tariff 1st November to 28th/29th February 2019 (4 months).

Car Park	Summer Income (8 months)	Winter Income (4 months)
Bracelet Bay	£60k	£11k
Languard	£134k	£16k
Caswell Hill	£15k	£0.2k
Caswell Bay	£85k	£15k
Port Eynon	£84k	£4k
Horton	£16k	£0.8k
Total	£394k (Average £50k/mth)	£47k (Average £12k/month)

(c) When can we expect all the ticket machines to have been upgraded

The tender for the Pay on Foot System for the Multi Storey and Park and Ride has been completed and awarded so implementation will commence shortly in the Multi storey car parks (High Street and Quadrant) and in the two Park & Ride sites.

The specification for the new Pay and Display machines, is being finalised ready for the six week tender process, and it is anticipated that the contract will awarded in February 2020.

In addition to the new machinery the cashless payment app. will be launched shortly to provide an additional and more flexible method of payment within our car parks.