

## **Service Improvement, Regeneration & Finance Scrutiny Performance Panel Update**

### **1. Remit of the Panel**

The overarching remit of the Panel is to ensure that the Council's budget, corporate and service improvement arrangements are effective and efficient, acting as a critical friend for the Cabinet and helping to ensure accountability. In addition, this Panel is responsible for ongoing monitoring of Council performance in relation to development and regeneration, including the 'health' of the city centre, wider economic development across Swansea and discussion about progress on the Swansea Bay City Deal. The Panel meets monthly.

### **2. Key Activities**

The last update to Committee for the Service Improvement, Regeneration and Finance Panel was November 2023. The below table updates on all meetings since the last update. From these 5 meetings, **10** letters were sent to Cabinet.

<b>Service Improvement, Regeneration and Finance</b>	
<b>Meeting</b>	<b>Topic(s)</b>
14 November 2023	<ol style="list-style-type: none"> <li>1. Q1 Revenue and Capital Budget Monitoring Report – 2023/24</li> <li>2. Regeneration Project(s) Update – Skyline/Copr Bay</li> </ol>
12 December 2023	<ol style="list-style-type: none"> <li>1. Mid Term Budget Statement 2023/24</li> <li>2. Review of Revenue Reserves</li> <li>3. Recycling and Landfill - Annual Performance Monitoring Report</li> <li>4. Audit Wales Report – Digital Strategy Review</li> </ol>
16 January 2024	<ol style="list-style-type: none"> <li>1. Budget Proposals 2024/25 – 2027/28</li> <li>2. Q2 Revenue and Capital Budget Monitoring Report 2023/24</li> <li>3. Q2 Performance Monitoring Report 2023/24</li> <li>4. Tourism Destination Management Plan Update</li> </ol>
13 February 2024	<ol style="list-style-type: none"> <li>1. Annual Budget and Medium-Term Financial Plan: Pre-Decision Scrutiny</li> </ol>
12 March 2024	<ol style="list-style-type: none"> <li>1. Regeneration Project(s) Update 71-72 The Kingsway</li> <li>2. Achievement against Corporate Priorities / Objectives / Policy Commitments for Development and Regeneration</li> </ol>

### **3. Achievements / Impact**

#### ***Financial Monitoring***

- During this period the Panel looked at Quarters 1 and 2 of the Revenue and Capital Budget Monitoring Report – 2023/24, the Mid Term Budget Statement 2023/24, the Review of Revenue Reserves, the Budget Proposals 2024/25 – 2027/28 and the pre decision scrutiny of the Annual Budget and Medium-Term Financial Plan.
- The first quarter monitoring report demonstrated an overspend with a need for all Directorates to curb spending this year. Quarter two demonstrated that this was improving but that it would take the full year to return to a balanced position.
- The Panel were pleased to see the reintroduction of a savings tracker which forecasts 70% to be achieved by the end of the year with expectation this will improve.
- The officer explained that £20m has been set aside in central inflation pots. This was increased due to the levels of general inflation forecast for 2023/24
- It was noted that the Housing Revenue Account has some inflationary pressures.
- School transport was raised as an area of concern and strategies are being considered to make this more cost effective.
- Regarding the Budget Proposals 2024/25, it was stressed that every authority in the UK is struggling with the level of funding with plans to draw down just over £1m from the capital equalisation reserve in 2024/25. External borrowing for additional capital expenditure of up to £50m will be deferred to 2027/28 until interest rates are more advantageous so the Medium Term Financial Plan has neutralized the interest by a draw from the Capital Equalisation Reserve in 2027/28.
- The Panel discussed the use of the School's ICT Hwb infrastructure reserve of £7m to offset Schools costs in 2024/25 and were concerned it would create a "cliff edge" in subsequent years. Schools collectively will draw about £10m from their reserves of £20m.
- The Panel raised a number of points at its pre decision of the Annual Budget. The Panel recognised the need make savings. It requested a copy of the comments made in the public consultation. Additionally, despite recommendation for a larger decrease, the levy of the Corporate Joint Committee has only been decreased by 10%, it will be interested in the progress of this Committee towards its work programme. The Panel had concerns with the level of debt financing and queried whether an annual increase in service charges is necessary for sheltered housing considering that rents were also going up.

#### ***Performance Monitoring***

- During this period the Panel looked at the Quarter 2 Performance Monitoring Report for 2023/24.
- The officer took the Panel through the new lay out of the report and explained how it links to the key priorities of the corporate plan, brings in qualitative and quantitative information and better describes the progress on meeting well-being objectives. The Panel felt the new layout was clearer whilst giving a lot of information in a constructive way.

## ***Development and Regeneration Monitoring***

### ***Skyline***

- At the time Skyline was discussed the development was at planning application stage with Skyline developing the next phase of the scheme with work aiming to commence on site next year.
- The Panel queried the increase in cost from £35m to £40m which was explained as inflation and the addition of a new linear park to the plans. The Leader gave assurances that Council money going into this project is replicating the support given to other companies across Swansea.

### ***Copr Bay***

- The Panel encouraged the Cabinet Member to discuss as much as possible in open session in future due to public interest.

### ***Tourism Destination Management Plan***

- The officer gave an update on the new Tourism Destination Management Plan covering 2023-26 which was approved by Cabinet in October 2023. The Panel found the layout of the report excellent, readable, and easy to understand and overall were pleased with the progress of tourism in Swansea.
- The Panel noted that the numbers for visitors from the Midlands seemed low with a much greater number coming from within Wales.
- The Panel queried how public toilet standards were being improved and heard about the work of the Public Toilet Strategy Working Group and the challenges around maintaining cleanliness and anti-social behaviour. It felt one of the main challenges with public toilets is signposting.

### ***71-72 The Kingsway***

- An update on the Kingsway development was provided with the site close to practical completion.
- The Panel asked for updates on the side entrance to Picton Arcade and bike storage.
- It raised concerns about the need for office space given the move to hybrid working. Assurance was that there is demand for grade A office space and the whole of the building will be fully let within a reasonable timescale.

### ***Achievement against Corporate Priorities / Objectives / Policy Commitments for Development and Regeneration***

- The Panel asked for an update on various developments including, former Debenhams site, Castle Square, the Dragon Hotel, the Dolphin Hotel, the Civic Centre and Copr Bay.
- It queried the commitment to invest in towns and villages and the officer explained there are seven district centres each with a draft place making plan with funding available through a number of funding avenues. Officers are working through those schemes as quickly as possible.
- Hotel provision was discussed, particularly the new hotel to be situated between the Arena and the LC. Questions were asked about gap funding and the hotel rating.

- The Panel were concerned about job sustainability for jobs created through funding. Officers gave reassurances that sustainability and cash flow are considered, and grants are not given for revenue costs.
- The Panel also asked about space for manufacturing and attracting new companies to Swansea.

### ***Recycling and Landfill - Annual Performance Monitoring Report***

- The update received included information on the 2022 Waste Strategy which sets out to achieve statutory recycling targets by 2024/25. In 2022/23 the Council exceeded the current statutory recycling target which was principally due to switching from black bag disposal from landfill to energy from waste.
- Compulsory workplace recycling legislation was queried by the Panel which is due to be introduced in April 2024. The officer reported the difficulty in judging the impact to revenue at this point.
- The Panel asked a number of questions about the trial in St Thomas using reusable containers for cans, glass, paper and card, and were informed the response overall was positive. On inquiring about storage, this had not been a major concern to officers however all feedback would be reviewed at the end of the trial. Engagement with collection crews was discussed and cost was reported as cost neutral overall.
- The issue of litter was raised, as these are part of the cleansing team's responsibility, the Panel will invite this team to scrutiny in due course.
- Issues with removing plastic liners from compositable waste was discussed and a comprehensive response from the contractor was sent to the Panel to explain this process.

### ***Audit Wales Report – Digital Strategy Review***

- The Panel were given an overview of the recommendations for improvement and Council's response to this report.
- The Panel were informed that there was one recommendation which was to formally bring review findings to relevant committees. This is the normal process; however this was not achieved due to the pandemic and the officer assured us that this will be carried out now that normal process has resumed.
- The Panel asked if any interim reviews are planned during the life span of the current strategy and heard that the digital transformation plan includes an annual review, the next is scheduled for March 2024 with one to be carried out at the end of each financial year. The officer agreed to share the review findings with Panel Members.

#### 4. **Future Work Programme**

The programme for the remainder of this municipal year is as follows:

<b>Meeting</b>	<b>Topic(s)</b>
<b>9 April 2024</b>	<ol style="list-style-type: none"> <li>1. Annual Review of Wellbeing Objectives and Corporate Plan</li> <li>2. Q3 Performance Monitoring Report 2023/24</li> <li>3. Audit Wales Report – “Cracks in the Foundations” Building Safety in Wales</li> </ol>
<b>7 May 2024</b>	<ol style="list-style-type: none"> <li>1. Planning Annual Performance Report</li> <li>2. City Centre Retail</li> <li>3. Audit Wales report “Springing Forward” - Workforce</li> </ol>

#### 5. **Action for the Scrutiny Programme Committee**

None.