



CITY AND COUNTY OF SWANSEA

Dinas A Sir Abertawe

Councillor Rob Stewart
Cabinet Member for Finance & Resources

BY EMAIL

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2 July 2014

Dear Councillor Stewart,

**Service Improvement and Finance Scrutiny Performance Panel
11 June 2014**

Thank you for attending our Panel meeting on 11 June and engaging in an interesting and productive discussion. We are also grateful to Mike Hawes for his informative report on the arrangements for monitoring the capital and revenue budgets during 2014/15. This letter summarises the main points from our discussion.

Saving Targets

We are conscious that the level of savings required by the Council is unprecedented and that the financial position can be expected to worsen in coming years, with incremental savings of £48m required by 2017/18. We were encouraged to see that there is close monitoring of the savings targets required and that the level of Cabinet Member and Director involvement is high. We trust that this will enable any problems to be identified at an early stage. We will also be monitoring progress against savings targets via the quarterly budget monitoring reports.

Whilst it is essential that the savings targets are met it is also the role of this Panel to monitor the impact of these budget decisions. To that end we will be meeting with Cabinet Members throughout the year in order to discuss the impact on the performance of services within their portfolios.

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You provided us with details on some of the key plans to achieve savings, including modernising services through the development of new Customer Contact Strategy, which will involve increasing digital communications. We will be interested to explore these issues further with individual Cabinet Members to discover how these strategies are producing savings and whether they are improving service delivery.

Staffing issues

A key part of the savings targets are reductions in staffing numbers. We were pleased to hear that due to strict vacancy management procedures the Council is reducing the risk of compulsory redundancies. We agree with this approach but we are also mindful that we need to be cautious of the effects that staffing cuts will have on service delivery. These are issues that we will be picking up with individual Cabinet Members when we discuss the impact of budget decisions on their portfolios.

Council Tax

You informed us that the Authority is performing well in the amount of Council Tax that it is collected. The target of 97.5% is being exceeded with a current collection rate of 98.4%, although we understand that this is the overall collection rate achieved over a number of years and that the in-year collection rate will be lower. In order to put this figure into context we would like to compare Swansea's performance with other local authorities in Wales. Therefore please could you arrange for this information to be provided to us.

We will also be interested to receive feedback on how the Authority's plans to identify people claiming single person reductions who are not entitled to them are implemented and the changes this may make to the Council Tax collection rate. Therefore please could you advise when would be an appropriate date to receive feedback on this and we will include it in our work plan.

ICT Contract

We are aware that the Authority's ICT contract is expiring in December 2015. As this is such a fundamental element of service delivery we raised this as a key issue of concern. You agreed that it would be useful to gain a scrutiny perspective on the future plans for the management of the Council's ICT arrangements post 2015, therefore please could you confirm the timescales for this project and where this Panel can best input into the process.

Budget Scrutiny

We briefly discussed the budget process for 2015/16 with you. Please could you confirm what the timetable will be this year and where this Panel will fit into the process so we can ensure that we allow time in our work programme. Similarly, can you also provide the reporting timescales for the quarterly and annual performance and finance reports to help us plan our year ahead.

Changes to the Housing Revenue Account

You informed us that there are major changes planned to how the Housing Revenue account is managed, which is currently the subject of Welsh Government consultation. As this Authority is one of 11 left in Wales that retains ownership of its Council Housing Stock we felt that this is an important issue for the Panel to be kept updated on, therefore please ensure that we are advised of the changes once they have been finalised and agreed.

Finally, you stated that you would liaise with the relevant Cabinet Members in responding to the Convener's letter sent on 6 May 2014, to a number of Cabinet Members. We would be grateful to receive a response before our next meeting on 16 July.


For your information we have agreed with the Cabinet Member for Skills and Learning that he will attend our meeting on 20 August.

In summary the Panel requests that you:

- Provide comparative data to compare this Authority's Council Tax collection rate with others in Wales.
- Provide feedback on how the Authority's plans to identify people claiming single person reductions who are not entitled to them are implemented and the changes this may make to Council Tax collection rates.
- Confirm the timescales for reporting on the future management of the Authority's ICT contact and when scrutiny can input into the process.
- Confirm the timescales for the 2015/16 budget process and where scrutiny will fit into the process.
- Provide the reporting timetable for the quarterly and annual performance and finance reports.
- Provide a response to the Convener's letter sent 6 May.

It would be helpful to receive your reply to this letter by 1/8/14 so that it can be included in the agenda of a future Scrutiny Programme Committee meeting at the earliest opportunity. We look forward to receiving your response.

Yours sincerely,



Councillor Mary Jones
Convener, Service Improvement and Finance Performance Panel

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