



Report of the Section 151 Officer
Extraordinary Council – 5 March 2020

Revenue Budget 2020/2021

Purpose:	This report proposes a Revenue Budget and Council Tax Levy for 2020/21
Policy framework:	Sustainable Swansea – Fit for the Future
Consultation:	Cabinet Members, Legal, Access to Services & Corporate Management Team
Recommendations:	It is recommended that: 1) Council approves a Revenue Budget for 2019/20 as detailed in Appendix A. 2) Council approves a Budget Requirement and Council Tax Levy for 2019/20 as detailed in Section 9 of this report.
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1. Introduction and Background

1.1 This report details:

- Financial monitoring 2019/20
- The Local Government Finance Settlement 2020/21
- Budget Forecast 2020/21
- Specific Savings Proposals
- Outcome of Budget Consultation
- Staffing Implications
- Reserves and Contingency Fund requirements
- The Budget Requirement and Council Tax 2020/21

- Summary of funding proposals
 - Risks and uncertainties
- 1.2 The financial assessment in relation to 2021/22 – 2023/24 is contained in the ***Medium Term Financial Plan 2021/22 – 2023/24*** elsewhere on this agenda.
- 1.3 This report builds upon and needs to be read in conjunction with :
- The budget strategy agreed by Council on 22nd October 2013 – ***‘Sustainable Swansea: Fit for the Future’*** focusing on the principles and strategies to be adopted as part of the current and future budget process.
 - The report to Cabinet on 29th July 2014 – ***‘Sustainable Swansea: Fit for the Future: Delivery Programme’*** which agreed the specific objectives of the programme and set out an outline programme for delivery.
 - The update report on Sustainable Swansea – Fit for the Future as approved by Cabinet on 16th July 2015.
 - The report to Cabinet on 9th January 2020 – ***Sustainable Swansea – Fit for the Future: Budget Proposals 2020/21 – 2023/24*** setting out the Council’s proposals for budget consultation.
- 1.4 The report sets out the outcome of the budget consultation. Cabinet has considered the comments received from residents, community groups, partners, employees, School Budget Forum, Joint Phase Head Teachers, Trade Unions and others. The report also includes an Equality Impact Assessment statement so that Cabinet can be aware of the key issues before finalising budget proposals.
- 1.5 Whilst emphasising what is proposed being removed, at approximately £10 million, it must equally be borne in mind that £35m is being added. Net service budgets are increasing substantially, and the overall revenue budget by a net £25 million.**

2. Financial Monitoring 2019/20

- 2.1 Cabinet considered a report on the estimated Revenue Outturn for 2019/20 at its meeting of 20th February 2020. It was projected that the Council will outturn at an underlying directorate overspend position of £0.434m, which is an improved position compared to the forecast overspend at quarter 2.
- 2.2 The biggest improvement is within Social Services (£1m), although both Resources and Place also have an improved forecast.
- 2.3 There are significant variances on savings built into the base budget for 2019/20; if these savings are not achieved there will continue to be an impact in 2020/21 and beyond.
- 2.4 Current estimates are that the service overspend is likely to be around £0.434m (considerably less than 1% of the original budget), predominantly

because of overspending in Education Services, offset by underspends in Resources and Place.

- 2.5 It is expected that this will be covered from underspends expected on the Inflation provision. If necessary the contingency fund will also be used to cover any residual overspend.

3. The Local Government Finance Settlement 2020/21

- 3.1 The Cabinet Secretary for Finance announced the provisional Revenue and Capital Settlement for 2020/21 on 16th December 2019 and the final settlement was announced on 25th February 2020.

- 3.2 The Minister for Housing and Local Government stated in the provisional settlement that there was no intention to make significant changes to either the methodology or the data underpinning the settlement. The publication of the final settlement confirmed that there was indeed no change between the provisional and final levels of funding.

- 3.3 In respect of Schools and Social Services, although the settlement does make it clear that the cost pressures in schools are definitively recognised by the Welsh Government, there is no formal protection or funding guarantee within the settlement so any decision over funding is a local one to be made by Cabinet and ultimately by Council, having any due regard to any budget consultation responses received.

- 3.4 In revising the Medium Term Financial Plan and setting the Budget for 2020/21, it is essential that the Council adheres to and continues to implement the objectives in *Sustainable Swansea – fit for the future*. The Council has made clear through *Sustainable Swansea* that the need to transform services, reduce or divert demand through prevention and to look for alternative models of delivery, including community action, is required for our future sustainability and to improve outcomes for citizens.

- 3.5 **The financial pressures and level of risk that we face and will continue to face make the need to implement these changes ever more urgent. The increase in AEF should be seen as an opportunity to maintain investment in the Council's priorities and preventative action in particular, and embracing wide scale transformational change, not to slow down the pace of change or the level of required savings.**

4. Budget Forecast 2020/21

Overview

- 4.1 The budget proposals for 2020/21 as submitted for consultation on 9th January 2020 resulted in a projected funding deficit of £18.380m. The funding deficit was made up of projected funding pressures of £35.550m partly offset by a provisional increase on Welsh Government Aggregate External Finance (AEF)

of £17.170m. This was in respect of transfers into the settlement of £3.983m, and an increase in the overall level of AEF of £13.187m.

- 4.2 The announcement of the final settlement has resulted in no change to the above.
- 4.3 In addition, the opportunity has arisen to review all aspects of the budget pressures and risks so far identified with a view to updating the forecast using the latest up to date assumptions.
- 4.4 The options for funding the deficit that is identified remain as:
- Savings on current service net expenditure (through a combination of expenditure reduction and additional income generation)
 - Increases in Council Tax levels
 - Use of Reserves and Balances (not advised).

Forecast Funding Shortfall 2020/21

- 4.5 The revised shortfall in funding previously identified in paragraph 4.1 above can now be updated and summarised in Table 1(a) below.
- 4.6 The items highlighted in ***bold italic*** in the table have changed since the budget proposals report to Cabinet in January 2020. These are discussed later in the report, but have resulted in a reduction to the pressures of £0.516m

Table 1(a) – Projected Pressures 2020/21

	2020/21 £'000
Future cost of pay awards	
- Non Teachers - 2.75%	5,100
- Teachers – 2.75% - local top up required	2,699
<i>Costs imposed without funding by UK Government:</i>	
- National Living Wage – own pay bill	900
- National Living Wage – contracts	1,000
Increase in Pension Costs	0
Increased Teachers Pension Costs (local top up required)	2,069
Cumulative contract inflation	1,000
Capital charges – existing	1,750
Capital charges – new scheme aspirations	2,000
Capital charges – expected savings as a result of increased grants and thus reduced borrowing – general capital and Band B schools	-350
MRP review linked to capital programme (policy change approved by Council in December 2018)	381
Use of General Reserves	0

Reinstate Temporary Use of Insurance Reserve	700
Demographic and Service pressures	6,000
Mid and West Wales Fire authority Levy increase	770
Council Tax Support Scheme	1,000
Service pressures previously accepted	716
New Service pressures accepted	5,316
Passported through AEF to Services – Teachers pay	901
Passported through AEF to Services – Teachers pensions	2,931
Passported through AEF to Services – NHS funded nursing care	151
Total known pressures	35,034
Aggregate External Finance increase CASH	-13,187
Aggregate External Finance increase – passport to Services	-3,983
Total Savings Requirement	17,864

Inflation

- 4.7 The 2019/20 Revenue Budget provided a corporate provision of £3m for general inflation (£2m) and the cost of the Apprenticeship Levy (£1m). £1.15m of the general inflation provision was utilised during 2019/20.

Given current UK inflationary levels and forecasts to come through the year there is a strong case for increasing the corporate (General) provision for inflation in 2020/21. Mainly to cover the increase of costs associated with contracts, a further £1m will be provided in the corporate provision.

It is the case, however, that the Council is likely to experience significant cost pressures in specific areas as detailed in Table 1 (b) below and these have already been provided for as follows.

Table 1 (b) – Potential Service Inflationary and Cost Pressures

	£'000
Increased contract costs due to rises in inflation	1,000
Increased contract costs due to rise in National Minimum Wage levels (already in services)	1,000
Increased costs due to rise in National Minimum Wage levels (own pay bill) (already in services)	900

In the November 2015 Autumn Statement, the Chancellor first announced significant increases in the National Minimum wage. Whilst the actual increases will vary year to year there will be continued pressures. This will affect direct employee costs incurred by this Council during 2020/21, and it is highly probable that this will impact directly on wage costs of external contractors particularly in respect of contracted services within Social Services.

Irrespective of increases in minimum wage, there is likely to be pressure from contracted areas in both Social Services and Transport Services for elements

of cost increases. These will need to be funded from the corporate inflation provision on a case by case basis as the need arises.

The cap on public sector pay awards has recently loosened somewhat, with increases approved for firefighters and teachers that are considerably higher than the previous 1% cap. Indeed, the main local government pay sector has had pay awards in excess of 1% for the past couple of years. Whilst the pay award for 2020/21 has not yet been agreed, an estimated award of 2.75% has been fully built into, and adds to, revenue budget pressures.

The Apprenticeship Levy is still held centrally on the general provision for inflation line as it is currently a cost that is in effect a corporate tax. This makes the total provision for inflation £2.85m, although £1m of this has to be considered already fully committed for that levy.

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

Schools Prioritisation

- 4.8 It remains the case that the forward financial plans for the Council will continue to show year on year savings requirements which are likely to be significant and sustained. Given the scale of savings required, it is inevitable that it will be impossible to exempt schools' budgets fully from longer term real terms cuts.
- 4.9 Reductions can be viewed in two ways:
- Cash reductions in levels of funding provided to Schools
 - Real terms reduction in Schools funding, taking into account known spending needs.
- 4.10 For 2020/21 there is no longer any Ministerial funding commitment to schools, although the provisional settlement does make it clear that the cost pressures in schools are specifically recognised (such as Teachers' Pension costs). However, it is intended to provide funding for various service pressures as a local priority for Council.

The net result of these proposals is an increase in the underlying base budget cash settlement to Schools of some £9.732m (6.5%) for 2020/21, which is a better position than the 5.5% increase in this Council's funding from Welsh Government.

This year the headline figure across Wales in respect of Pupil Development Grant has increased and the Regional Consortia School Improvement Grant has reduced marginally compared to 2019/20, if allocated across authorities on the same basis then this should mean a minimal effect on Swansea Schools.

- 4.11 Table 1 (c) below sets out the effective impact of the core funding increase against expected funding pressures for Schools.

Table 1 (c) – Impact on Schools Delegated Budgets

Item	£'000
<i>Cash position</i>	
Net core delegated base budget 2019/20	150,720
Increase for Pay Award - all staff (2.75%)	3,600
Increased Pension costs re non-teaching staff	0
Increased Teachers Pension costs – now funded by UK and Welsh Governments via RSG	5,000
Increased demographics pressures	600
Fall out of Teachers Pay Grant 2019/20	550
SLA top slice - with schools agreement (PR)	-18
Core delegated base budget 2020/21	160,452
	+6.5%

i.e. the above cash increase covers known pressures for Schools in full.

There are no further delegated funding changes for 2020/21 and so the total school cost centre budgets set out in Appendix H have increased by more than £9.7m for 2020/21 or 6.5% in respect of changes within the control of this authority.

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

Social Care Protection

- 4.12 Similarly to Schools, the Welsh Government overall Revenue Settlement for 2020/21 no longer includes a protection or prioritisation of funding for social care.

Overall the cash budget proposed for social services (including Poverty & Prevention) increases by around 3.5% or £4.2m.

Capital Financing Charges

- 4.13 There is a base line increase of £4.4m compared to the 2019/20 approved budget reflecting both additional unsupported borrowing (for existing and new capital schemes) and the effect of the MRP review carried out in 2018/19.

As at 1st April 2015, and to date, a significant element of the Capital Financing requirement has been met by the allocation of internal funds (internal borrowing). This is highly dependent on cash-flows of the Council and it is anticipated that, during 2020/21, as has happened in 2019/20, there may be a further requirement to externalise borrowing as good treasury management practices dictate.

Regardless, we continue to enjoy historically low rates of interest on borrowing, and a decision may be required to externalise further elements of current internal borrowing should there be a predicted and marked increase in forecast rates in order to best serve the Council's interests in the medium to long term. The source of the most economically advantageous is uncertain following the decision by the PWLB on 9 October 2019 to increase their margin over gilt yields by 100 bps to 180 basis points on loans lent to local authorities, consideration will also need to be given to sourcing funding at cheaper rates from the following:

- Local authorities
- Financial institutions
- Municipal Bonds Agency

The degree which any of these options proves cheaper than PWLB Certainty Rate is still evolving at the time of writing but the Section 151 Officer is delegated to identify the most economically advantageous funding option.

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

Whilst the first and second year costs have been built into annual budgets to date, there is a longer term requirement to anticipate additional capital financing costs peaking at around £10m per annum extra (in 2025/26). This is materially lower than the equivalent figure initially reported as a result of substantial increases in current and medium term capital grant funding from the Welsh Government and as a direct result of the change to MRP policy which was approved by Council in December 2018.

Fire Authority Levy and Port Health Authority Levy

- 4.14 We have been notified of the final increase in the Fire Authority Levy. The final figure reflects an overall average 5.71% increase in the levy and some redistribution of shares of the levy between contributing authorities (£0.02m). This is £0.03m lower than the estimated increase included in the budget proposals report to Cabinet. The levy for 2020/21 will be £13.741m.
- 4.15 There has been a minor increase in the Swansea Bay Port Health Authority Levy, the levy for 2020/21 has been set at £87,384 for Swansea.

Council Tax Reduction Scheme

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

The effects of funding additional Council tax support have been taken into account when calculating the funding in respect of the overall budget shortfall highlighted in Table 1(a) in paragraph 4.5 of this report. This has been marginally reduced to £1.0m in the latest forecast, from £1.1m.

Service Pressures and Additional Investment

- 4.17 It can be seen from Table 1(a) above that there is a continued investment in pressures identified and approved as part of the budget process last year. In addition to this there have been a number of new pressures and new investment opportunities identified as part of this year's budget process. The funding of these items has been possible partly through a better than expected settlement from the Welsh Government and partly through efficiencies (savings) made elsewhere within the Authority. These are listed in part 2 of Appendix D. Since the proposals report there has been the addition of one new investment in respect of wildflower planting to reflect the commitment to the natural environment.

5. Specific Savings Proposals: Update

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

Details of that strategy, including the budget principles that the Authority has adopted together with a description of the key elements that underpin the service savings proposals, was presented and approved by Council on 22 October 2013 and subsequently reviewed by Cabinet on 16th July 2015. It is planned to launch a major refresh and review of the strategy, whilst likely retaining its core principles, during 2020 to develop the next phase and iteration of the strategy for future years.

- 5.2 The strategy as adopted underpinned the decision taken at the Council's Cabinet on 9th January 2020 to recommend specific savings proposals totalling £9.705m in 2020/21 for consultation. Cabinet on 20th February 2020 has now considered what changes to make to these proposals in light of the outcome of the consultation and the latest forecasts, and these are set out in paragraph 6.7.

- 5.3 The overall savings proposals, totalling some £9.705m as summarised below include specific service savings and cross cutting items. These are detailed in Appendix D (Part 1).

Table 2 – Summary of Savings Proposals (as at 9th January 2020)

Savings	2020/21 £'000
Cross cutting savings	194
Service specific savings	9,511
Sub-total (as detailed in Appendix D)	9,705
Schools*	0
Total	9,705

*Schools savings and pressures fall entirely to the delegated budgets and are shown separately as these are decisions for schools to take

- 5.4 As with previous years, the Corporate Management Team will ensure that the Sustainable Swansea crosscutting savings targets are allocated to specific Heads of Service and cost centres for delivery during the course of 2020/21.
- 5.5 Details around the currently assumed proposals for Council Tax levels are shown in Section 9 of this report.
- 5.6 Details around use of the Council's Reserves, contingency and inflation provisions are shown in Section 8 of this report.

6. Outcome of Budget Consultation Process

Budget Consultation Results

- 6.1 The annual budget consultation ran from 10th January 2020 to 9th February 2020. The consultation included a public survey available online and in hard-copy in council venues. In total 289 people took part in the general budget consultation survey.

A full summary of consultation results can be found in Appendix E.

- 6.2 The EIA process has been running continually through the budget process. The EIA report is attached as Appendix F. Cabinet and Council will be kept updated on any potential issues that may arise as part of the budget implementation process.
- 6.3 Council will need to consider the response to consultation and the EIA report and demonstrate how we are taking account of the feedback. This is particularly the case, of course, if we are minded to proceed with any

proposals where there is a significant majority of those responding opposed to this, bearing in mind that consultation feedback is just one of the factors that we need to consider when making difficult budget choices.

Main Results from the survey:

- 6.4 The survey provided the opportunity for people to have their say on:
- Future funding of services
 - Proposed spend 2020/21
 - Future Spend
 - Specific budget proposals

Future funding of services

40% Would be prepared to pay more for some services rather than lose them

76% Would prefer for the Council to deliver services in a different way rather than lose them

Proposed Spend

76% Agree that Social Services and Education should remain the Council's priority in terms of future spend?

Future Spend

Respondents were asked: **If there was money available, in which areas would you like to see the Council invest in?**

Areas which were selected the most are outlined below:

53% Care for Older People and Disabled Adults

48% Street/Road Repairs

47% Parks & Green Spaces

43% School improvements

42% Keeping Children Safe

Specific Proposals

Both proposals were supported by respondents.

85% agree to introduce a premium service to allow individuals to 'save the date' for future weddings up to 2 years in advance. Proposal to charge £25 per booking.

75% agree with proposal to replace the current delivery-to-the-door service provided by the council for replacement food caddies, reusable pink sacks and recycling bags. The service would be replaced with a service which will allow residents to collect replacements from various local outlets as detailed on the council website. Exemptions will be considered on a case-by-case basis for example residents with significant mobility or other health issues.

Text comments provided in the survey have been presented in full to Cabinet members for consideration.

Staff

In January/February 2020 a series of staff roadshows were held to explain the budget proposals and council priorities.

Children and Young People

As part of our planned 'Big Conversation' events with children and young people, we held an event on the 17th January 2020 which was attended by 68 children and young people (aged between 7 and 18 years old).

Young people aged 7 – 18 years were offered the chance to contribute to the online budget consultation in the same way as other residents in Swansea, so their views would be included within the main body of the results.

Children & Young People were asked if they would like to contribute to the proposal for the Outdoor Education Centres and shared that they were particularly keen to contribute once more information is available, along with other more detailed service proposals when they arise.

Young people have asked in the future if conversations about budget proposals could be discussed throughout the year, and in more detail, when they are directly relevant to them so they can contribute at the early stages of planning and undertake a more meaningful conversation. This is something what we need to consider as the Council is committed to effectively engaging with young people.

Summary

- 6.5 Finally, Cabinet is asked to note that, as part of the budget consultation process:
- An account of the consultation responses will be placed on the Council's website
 - The detailed consultation responses have been sent to the relevant Head of Service to:
 - Reply to any particular responders as appropriate, for example, community groups, Assembly Members
 - Where appropriate, build the comments into the implementation of the proposals, subject to these being agreed by Council.
- 6.6 As previously agreed, engagement on the delivery of the objectives in *Sustainable Swansea, fit for the future* will continue during 2020.

Changes Proposed to the Budget in this Report

- 6.7 As a result of the public consultation, and latest updates to forecasts, Cabinet considered a reduced level of Council Tax payable and included a new, modest but environmentally important pressure, and Council will now need to

consider whether it is minded to make any further changes to the final proposals for the 2020/21 budget.

7. Staffing Implications

Background

- 7.1 The Cabinet Report of 20th February 2020 set out the latest estimate (**work on this is continuing and the number is likely to change**) of the impact of the current proposals on total staffing numbers for 2020/21, these are reflected in **Table 3** (shown as Full Time Equivalents (FTEs))

Table 3 – Potential Impact of Savings Proposals on FTEs 2020/21

Potential Headcount Reduction (likely vacant posts or volunteers for ER/VR)	Headcount Number
Resources	2
Place	4
Education (excluding schools)	13
Social Services	29
Total	48

Indicative schools figure	FTEs
Schools	0

In addition it should be noted, investment proposals set out in Appendix D indicate at least as many new FTE posts are likely to be created elsewhere in the Council.

- 7.2 The Council is committed to continue to work closely with Trade Unions to minimise the number of compulsory redundancies.
- 7.3 The S188 Letter was sent out on 28th January 2020 and consultation with Trade Unions will continue throughout the process.
- 7.4 Meetings have taken place with the Trade Unions since the S188 was issued; with further meetings scheduled as and when required.
- 7.5 It should be noted that consultation will be undertaken on a rolling basis outside the normal budget cycle, as the outcomes from commissioning and other reviews are presented to Cabinet. Consequently, in some Service Areas, it was not possible at the time of the formal meetings with the Trade Unions to give details of the precise impact on staff and the figures quoted were, therefore, overall estimates. Future meetings with Trade Unions will be used to provide more detail when this becomes available as future options are agreed.

- 7.6 A reduction in posts in 2020/21 may still be unavoidable, given that the Council spends around 40% of its overall budget on employees (significantly more in some Service Areas).
- 7.7 As achieved and evidenced in previous years, and continuing the Council's current policy, every effort will be made to minimise compulsory redundancies. Management action includes:
- *Tight management of vacancies so that we manage the deletion of posts via natural wastage over time*
 - *The use of fixed term appointments where a post needs to be covered*
 - *Stopping the use of agency staff unless a clear business case can be made*
 - *Redeployment and retraining wherever possible*
 - *Further encouragement of staff to consider ER/VR options, including bumped redundancies*
 - *Encouraging staff to work flexibly e.g. reduce hours or job share*
 - *Flexible retirement*
- 7.8 The groups of staff likely to be most at risk (no options can be ruled out at this stage) are those affected by service savings in schools, social services and poverty and prevention and those in management/ supervisory posts and employed in business support functions.

Issues

- 7.9 Through consultation meetings the Trade Unions have raised some concerns regarding the cross cutting proposals relating to the Council paybill. In terms of consultation with individual directorates discussions are ongoing.

We have not yet received a formal response to the budget proposals.

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

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

These figures will be updated on an ongoing basis.

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

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

Consultation Period and Notice Periods

- 7.10 The formal staff consultation period will last for a minimum of 30 days; although formal consultation meetings with staff and Trade Unions will continue as and when necessary.

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

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

8. Reserves and Contingency Fund Requirement

Background

- 8.1 It is a requirement of the Local Government Finance Act 1992 that authorities have regard to the level of reserves when calculating their Budget Requirement. Whilst there is no prescribed statutory minimum level of reserves, account should be taken of the strategic, operational and financial risks facing the Council.

- 8.2 In assessing the adequacy of reserves account needs to be taken of the following general factors:

- treatment of inflation and interest rates
- level and timing of capital receipts
- treatment of demand led pressures
- expected performance against challenging budget requirements
- treatment of planned efficiency savings / productivity gains
- financial risks inherent in major capital developments and funding
- the availability of reserves, government grants and other funds
- general financial climate to which the authority is subject

The Section 151 Officer continues, as set out below, to view General Reserves as already being at the absolute minimum safe level. Any consideration on use of reserves to fund the 2020/21 Revenue Budget is dependent on the level of confidence in predicting 2019/20 Revenue Outturn and the overall draw from those reserves. At present it remains the case therefore that there should ordinarily be no planned use of general reserves for any future budgets.

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

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

- The report of the Section 151 Officer to Council on 24th October 2019 'Review of Revenue Reserves'
- The guidance issued by Welsh Government and circulated to all Members advising on methods that might be employed when reviewing the overall reserves of the Council.

General Reserves

8.4 The General Reserve amounted to £9.352m at 1st April 2019.

8.5 The Revenue Budget for 2019/20 approved by Council on 28th February 2019 assumed no transfer from General Reserves and there is no movement in the General Reserve currently expected during 2019/20, although any final determination on the use of reserves will depend on the outturn position for 2019/20.

8.6 In the opinion of the S151 Officer the level of the General Reserve is currently at the very minimum recommended level and as such there is no assumed transfer from the reserve to support the 2020/21 budget.

Therefore the level of General Fund balances estimated at 31st March 2021 would be £9.352m.

Contingency Fund

8.7 The 3rd quarter financial monitoring report detailed several forecast uses of the Contingency Fund in 2019/20. At this time, it is anticipated that the £7.072m budgeted contribution in 2019/20 will be fully expended and/or used to fund the Council's final outturn position. Given the overall position as forecast in the 3rd quarter budget monitoring report for 2019/20 considered by Cabinet on 20th February 2020, the forecast Fund balance as at 31st March 2020 is nil.

8.8 In assessing the value of the Contingency Fund requirement in 2020/21, the following potential requirements are relevant:

- The risks and issues detailed in Section 11 below.
- The need to provide a substantial potential source of finance for repeated potential overspending in services given past performance, bearing in mind the Council has now likely exhausted all other Earmarked Reserves.
- The continuing uncertainty for Public Finances as set out in the Cabinet report on 9th January and summarised in the MTFP report elsewhere on the agenda.

- The expectation that any emerging additional inflationary pressures beyond the large already budgeted items (National Living Wage, pay awards) will be a call on the fund in year.
- 8.9 Bearing the above in mind, together with the proposals in respect of funding current year service pressures within the 2020/21 base budget, and the reduced risk of repeating overspending from 2019/20, it is now recommended that the contribution to the base budget Contingency Fund in respect of 2020/21 is no longer increased, but is maintained at the 2019/20 base level of £3.621m, depending upon any further budget decisions Council is also minded to recommend. Again this is considered the absolute minimum range necessary to be maintained in light of the likely risks and issues facing this Council.

Earmarked Reserves

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

On 24th October 2019 Council received and approved a report detailing a formal review and re-allocation of Earmarked Revenue Reserves of the Council.

- 8.11 From the list of specific grants announced by the Welsh Government for 2020/21 it appears that where there are reductions to grants these are not significant so it is unlikely that there will be a significant impact on Swansea.

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

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

There are no remaining reserves specifically to protect against grant losses so any reductions would fall firstly to the Service department to manage or if significant would have to be considered for funding from the Contingency Fund.

Review of Insurance Fund

- 8.12 A further review was completed of the sums set aside to provide for future claims which are not known or only partly known at this time. Such claims can be very significant and can relate to past periods going back many years.

- 8.13 In the light of that assessment £700k was released for the three years starting with 2017/18 and was already reflected in the budget proposals previously considered by Cabinet. This was extended as part of the budget processes for 2018/19 and 2019/20 so will now end in 2022/23.
- 8.14 In addition to this, the Section 151 Officer has identified that £2.648m can be transferred from the Insurance Reserve to the Capital Equalisation Reserve in 2019/20 only. This is in the light of professional advice given as to funding levels within the Insurance Reserve. This transfer was approved by Council on the 24th October 2019 in the annual Review of Revenue Reserves report.

Capital Receipts Reserve

- 8.15 Unusually some use of capital receipts to fund revenue expenditure is planned in 2020/21. This is very specifically in respect of transformational work to the Council's I.T systems (Oracle). A sum of £0.812m will be utilised. A full report on Enterprise Resource Planning (ERP) was presented to Cabinet on 19th September 2019, which stated should the use of capital receipts not be permitted the capital equalisation reserve will be utilised instead. It should be noted that the capital receipts reserve is not detailed as part of Appendix C as it isn't a revenue reserve.

Adequacy of Reserves

- 8.16 Whilst the proposed use of Earmarked Reserves in 2020/21 funds one off and some recurring expenditure, taking into account the level of General and Earmarked Reserves which would be available should there be an overriding financial requirement, and the arrangements in place to monitor and manage financial risk in 2020/21 and future years, I am just satisfied that the proposed management of reserves in 2020/21 will result in a forecast level of General Reserves, Earmarked Reserves and Provisions which may be adequate, subject to the potential financial implications of the risks described in Section 11 below and the final budget proposals recommended by Cabinet to Council.
- 8.17 Given the considerable risks and uncertainties facing the Council in 2020/21 and future years, it remains my advice as the officer designated with responsibility for the overall finances of the Council that the above represents reasonable prudent financial management having due regard to service pressures and funding constraints. Nevertheless, increasingly the risks associated with the budget, especially any non-deliverability in practice of planned savings remains very pronounced. This is especially important when viewed in the context of draws from General Reserves in 2017/18 and Earmarked Reserves in 2018/19, which cannot be repeated. Put simply and bluntly both those routes are now all but fully exhausted going forward and Council will have to consider some or all of the following in future years:
- Service reductions
 - Reductions in future capital aspirations
 - Further council tax increases each year

9. Budget Requirement and Council Tax 2020/21

- 9.1 The Council's recommended requirement is set out in Appendix A. The City and County of Swansea Requirement of £468.655m will be financed partly by Revenue Support Grant of £253.660m and National Non-Domestic Rates of £85.721m.

Based on the report to Cabinet on 9th January 2020, and in line with assumptions contained in the Welsh Government's spending assessment for Swansea, a Council Tax rise of 5% would have generated an additional sum of £8.675m including assumptions on Premia.

However, based on the recommendations made at Cabinet on 20th February 2020, a slightly lower Council Tax rise of 4.58% would generate an additional sum of £8.159m, a band 'D' charge of £1,406.33

Taking consequential lower Council Tax Reduction Scheme support costs into consideration there is a net reduction in proposed income of £0.416m. This has been funded by a combination of the reduction to the contingency fund and the Fire Authority Levy less the cost of the new pressure identified.

This is confirmed following the final local government finance settlement announced on 25th February.

- 9.2 Including Community Councils, the total requirement, after taking account of proposals in respect of reserve transfers and currently assumed savings, is £470.237m.
- 9.3 The above proposals are based on an indicative Council Tax rise which is within the range of planning assumptions of the Medium Term Financial Plan.

10. Summary of Funding 2020/21

- 10.1 The implications of Sections 4, 5, 6, 7 and 8 above, together with the assumed 4.58% rise in Council Tax identified in Section 9 above, results in a forecast additional funding of £17.864m in 2020/21 as detailed in Table 4 below.

Table 4 – Budget Proposals 2020/21

	£'000
Savings identified per Section 5.3 above	9,705
Net effect of Council tax base increase and proposed charges	8,159
<hr/> Overall resourcing	<hr/> 17,864 <hr/>

10.2 I am satisfied that the budget proposals detailed in this report represent a realistic and achievable financial plan for 2020/21 subject to the potential financial implications of the risks described in Section 11 below.

11. Assessment of Risks and Uncertainties

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

(a) Implications of Specific 2019/20 Overspends

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

(b) Unavoidable Spending Requirements

All services will need to meet a range of additional / new pressures in 2020/21. These include the implications of new legislation; demographic changes; final completion of the single status appeals process; and other requirements. Whilst reasonable provision has been made for these costs, there is a risk that some items will result in overspends. In particular it has previously been the case that the cost of pay protection arising out of single status implementation can be funded centrally, going forward any and all costs that arise as a result of the appeals process will have to be met from within specific existing Directorate budgets.

(c) Savings

It is essential in terms of the financial challenges facing the Council beyond 2020/21 that further savings proposals are continuously developed as part of the *Sustainable Swansea* programme and **implemented over and above those proposed within this budget to provide some headroom**. This will be a continuation of plans already underway and specifically include existing and the next waves of commissioning.

The 2020/21 budget includes significant and extensive savings targets which must be fully achieved. **It is a fundamental requirement of the Council's financial procedure rules that Responsible Officers are required to manage expenditure within approved budgets of the Council and to that extent it is essential, should specific proposed budget savings be delayed or postponed, that alternative savings are fully achieved in year to meet approved Directorate Budgets.**

Given the nature and scale of the savings challenge during 2020/21, there will be continued and enhanced monitoring and tracking of progress in achieving

budget savings which will be reported to Corporate Management Team, Reshaping Board and Cabinet.

(d) Inflation

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

(e) Care Home Fees

Budget provision has been made for the 2020 contract settlement with care home providers. However, it is likely that fees will need to be further monitored given that the Council has to undertake an annual review of payments to care home providers which must be robust and evidenced – see specific provision for inflation above.

(f) Specific Grants

In the event that the level of specific grants awarded for 2020/21 is less than that for 2019/20, it is essential that Directorates take action to manage such reductions within the proposed spending limits – i.e. there is no ongoing corporate provision for meeting such shortfalls. There is a clear expectation that expenditure will be cut to match the level of grant.

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

(g) Equal Pay Back Payments

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

(h) Implementation of Single Status

Whilst the Council implemented a compliant pay and grading structure from 1st April 2014, there has been a significant number of appeals against grades awarded. Where these appeals have been successful, it will lead to additional costs over and above the grade initially allocated including incremental costs over a period of up to five years, of which 2018/19 represented the last year and effectively this risk is now dropping out from 2019/20.

(i) Council Tax Reduction Scheme

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

(j) Capital Financing Charges

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

The report on the Capital Programme for 2019/20 – 2024/25 elsewhere on this agenda highlights specific actions that need to be taken to mitigate against future increases in revenue costs linked to increases in unsupported borrowing and further externalisation of current debt.

In additional mitigation, there was a report to Council on 20th December 2018 in respect of the formal review of the Minimum Revenue Provision. This has the benefit of reducing capital financing charges in the short to medium term, albeit at the expense of increases in the medium to longer term, before once again reducing in the very long term. These shorter-term savings have been built into the budget for 2020/21 and beyond.

The low interest rate and bond yield environment has resulted in historically low interest rates available from the PWLB in the past few years, which the Authority has taken advantage of in funding its capital financing requirement. However, following the decision by the PWLB on 9 October 2019 to increase their margin over gilt yields by 100 bps to 180 basis points on loans lent to local authorities, consideration will also need to be given to sourcing funding at cheaper rates from the following:

- Local authorities
- Financial institutions
- Municipal Bonds Agency

The degree which any of these options proves cheaper than PWLB Certainty Rate is still evolving at the time of writing but the Section 151 Officer is delegated to identify the most economically advantageous funding option.

- 11.2 Whilst reasonable assumptions have been made in relation to each of the above risks it is impossible to be certain that adequate funding will be available for every item. This re-enforces the need to have adequate reserves and balances available to meet any unexpected costs or shortfalls.
- 11.3 The above risks are both substantial and potentially significant in value. Therefore during 2020/21 specific actions are being put in place which will involve:-

- Monthly monitoring of specific savings targets against an agreed implementation timetable in order to identify any slippage and appropriate and equivalent compensating budget savings.
- Ensuring compliance with the Council's Financial Procedure Rules, which require Responsible Officers to manage budgets within the limits set by Council.
- The impact of any changes to specific grant funding streams.

12. Equality and Engagement Implications

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

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

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

12.2 Budget proposals continue to be subject to the Council's Equality Impact Assessment (EIA) process. Appendix F contains the Equality Impact Assessment (EIA) Statement for the Budget. The focus continues to be on mitigation of impact on the community.

12.3 Due to both the nature of the proposals being considered and the regulatory framework around EIAs, many now take a number of months to reach a conclusion. The budget planning process operates over a 3-year period, with many proposals being considered, designed and altered prior to implementation over this time period.

12.4 Officers are always advised to undertake the initial screening as early as they can, with (if required) a full EIA report then opened as soon as possible. This is then completed as proposals are worked through and means that we are now working on budget EIAs throughout the year. As a result, the assessment of impact is not a one-off exercise – it is a continuing process.

12.5 To ensure ongoing rigorous process, the following elements are of note:

- Where officers have concerns and/or queries, meetings are held with the Access to Services Team to look at both the proposal and the EIA
- EIA reports are often added to over a period of time, e.g. following consultation and engagement activities, following changes to the detail of proposals
- Quality assurance is carried out by officers with expertise in the areas of equality, Welsh language, poverty and the UNCRC

- Where a proposal has potential adverse impacts that cannot be mitigated, the EIA is referred to senior managers for attention and consideration.
- 12.6 In addition, with a number of both commissioning and other reviews underway across the organisation, the total or overall impact of the proposed budget is difficult to fully assess at any point of implementation, particularly with the EIA process being a continuing feature as proposals are further developed. Therefore we will continue to publish each EIA report with the relevant corporate report at:

[Browse Meetings, 2000 - City and County of Swansea](#)

13. The Medium Term Financial Plan (MTFP) 2021/22 – 2023/24

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

14. Legal Implications

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

Background Papers: None

Appendices:

Appendix 'A' Revenue Budget Summary 2020/21
Appendix 'B' Net Directorate Budget Proposals
Appendix 'C' Earmarked Reserves
Appendix 'D' Specific Savings Proposals and Service Investment
Appendix 'E' Summary of Consultation Responses
Appendix 'F' Equality Impact Assessment Statement
Appendix 'G' Response of the Schools' Budget Forum
Appendix 'H' Directorate Budgets

	APPENDIX A	
REVENUE BUDGET SUMMARY 2020/21		
<i>DIRECTORATE</i>	RESTATED	ORIGINAL
	BUDGET	BUDGET
	2019/20	2020/21
	£'000	£'000
RESOURCES	45,111	49,842
POVERTY AND PREVENTION	4,452	4,368
SOCIAL SERVICES	116,039	120,366
EDUCATION	19,968	21,381
EDUCATION - DELEGATED TO SCHOOLS PLACE	150,720	160,452
CROSS CUTTING SAVINGS	0	-194
<i>NET DIRECTORATE EXPENDITURE</i>	392,549	414,521
SPECIFIC PROVISION FOR INFLATION / APPRENTICESHIP LEVY	3,000	2,850
<i>OTHER ITEMS</i>		
LEVIES		
SWANSEA BAY PORT HEALTH AUTHORITY	86	87
CONTRIBUTIONS		
MID & WEST WALES COMBINED FIRE AUTHORITY	12,971	13,741
<i>CAPITAL FINANCING CHARGES</i>		
PRINCIPAL REPAYMENTS	14,152	16,368
NET INTEREST CHARGES	17,793	20,010
<i>NET REVENUE EXPENDITURE</i>	440,551	467,577
<i>MOVEMENT IN RESERVES</i>		
GENERAL RESERVES	0	0
EARMARKED RESERVES	2,375	678
<i>TOTAL BUDGET REQUIREMENT</i>	442,926	468,255
DISCRETIONARY RATE RELIEF	400	400
<i>TOTAL CITY AND COUNTY OF SWANSEA REQUIREMENT</i>	443,326	468,655
COMMUNITY COUNCIL PRECEPTS	1,465	1,582
<i>TOTAL REQUIREMENT</i>	444,791	470,237
<i>FINANCING OF TOTAL REQUIREMENT</i>		
REVENUE SUPPORT GRANT	242,197	253,660
NATIONAL NON-DOMESTIC RATES	80,014	85,721
COUNCIL TAX - CITY AND COUNTY OF SWANSEA	121,115	129,274
COUNCIL TAX - COMMUNITY COUNCILS	1,465	1,582
<i>TOTAL FINANCING</i>	444,791	470,237
<i>COUNCIL TAX BASE for the City and County of Swansea</i>	90,069	91,923
<i>COUNCIL TAX AT BAND 'D' (£) for the City and County of Swansea</i>	1,344.69	1,406.33
<i>GENERAL RESERVES</i>		
AT 1 APRIL	9,352	9,352
AT 31 MARCH	9,352	9,352

REVENUE BUDGET 2020/21								
NET DIRECTORATE BUDGET PROPOSALS								
	Resources	Poverty and Prevention	Social Services	Education	Education - Delegated to Schools	Place	To be allocated	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Original estimate 2019/20	45,011	4,553	116,039	19,968	150,720	56,258	0	392,549
Directorate Transfers	100	-101	0	0	0	1	0	0
Original estimates following transfers	45,111	4,452	116,039	19,968	150,720	56,259	0	392,549
Transfer to (+) / from (-) reserves 2019/20	-56	0	0	0	0	-491	0	-547
Original estimate 2019/20 excluding reserves	45,055	4,452	116,039	19,968	150,720	55,768	0	392,002
Transfers for specific items 2019/20	0	0	0	0	0	0	0	0
Baseline adjustments 2019/20	299	-139	-25	-53	0	416	0	498
Adjusted service budgets 2019/20	45,354	4,313	116,014	19,915	150,720	56,184	0	392,500
Baseline adjustments 2020/21	266	0	61	-10	-18	-97	0	202
Spending Needs	1,820	75	6,250	3,455	6,150	2,131	0	19,881
Pay inflation provision	755	320	1,460	565	3,600	2,000	0	8,700
Savings:								
Specific consultation proposals	-181	-340	-3,619	-2,509	0	-2,162	-194	-9,005
Senior Staff Savings	0	0	0	0	0	0	0	0
Original estimate 2020/21 excluding reserves	48,014	4,368	120,166	21,416	160,452	58,056	-194	412,278
Transfer to (-) / from (+) reserves 2020/21	1,828	0	200	-35	0	250	0	2,243
Net Directorate budgets 2020/21	49,842	4,368	120,366	21,381	160,452	58,306	-194	414,521

APPENDIX B

REVENUE BUDGET 2020/21

EARMARKED RESERVES

	Balance 31/03/19 £000	2019/20 £000	Balance 31/03/20 £000	2020/21 £000	Balance 31/03/21 £000
DIRECTORATE RESERVES					
Equalisation reserves	-15,077	-2,591	-17,668	1,436	-16,232
Commuted sums	-6,613	-265	-6,878	60	-6,818
Repair & renewal funds	-3,052	908	-2,144	-210	-2,354
Profit share	-1,417	-66	-1,483	-66	-1,549
Service reserves	-5,583	351	-5,232	161	-5,071
TOTAL DIRECTORATE RESERVES[#]	-31,742	-1,663	-33,405	1,381	-32,024
CORPORATE RESERVES					
Contingency Fund	0	0	0	-3,621	-3,621
Insurance	-17,395	3,348	-14,047	700	-13,347
Job Evaluation earmarked	0	0	0	0	0
Transformation/Efficiency	-3,085	-3,122	-6,207	31	-6,176
TOTAL CORPORATE RESERVES	-20,480	226	-20,254	-2,890	-23,144
UNUSABLE/TECHNICAL RESERVES	-997	20	-977	19	-958
SCHOOLS DELEGATED RESERVES*	-8,600	0	-8,600	0	-8,600
TOTAL RESERVES	-61,819	-1,417	-63,236	-1,490	-64,726

[#] In 2020/21 some Directorate expenditure (£0.8m) is supported by use of the Capital Receipts Reserve, not shown here as it is a Capital Reserve and not an Earmarked Revenue Reserve

* There is no updated information available for schools reserves for 2019/20 or 2020/21.

APPENDIX D

Part 1 – Savings Proposals

Director	Head of Service Budget	Savings Proposals	Savings 2020/21 £'000
Cross Cutting		Becoming digital by default and reducing paper printing	25
Cross Cutting		Changing Pension AVCs and staff reward scheme to tax efficient salary sacrifice schemes	71
Cross Cutting		Review of long service awards as part of a better rewards scheme	98
		Cross Cutting Savings	194
Education	Non-Delegated	Ethnic minority achievement service to be fully grant funded	17
Education	Non-Delegated	School Meal to increase by 5p (as per previous consultation)	46
Education	Non-Delegated	Reduction in regional improvements service and grant consistent with funding settlements	16
Education	Non-Delegated	Home to School Transport review savings identified	250
Education	Non-Delegated	SIMS / MIS Joint Working and broadband / licence costs through enhanced scale discounts	40
Education	Non-Delegated	Construction of new Active Travel links which will facilitate pupils walking and cycling to school	140
Education	Non-Delegated	Base budget adjustment for Central Education department shortfall (non-schools) – fully offset by investment	2,000
		Education - Non-Delegated Budgets	2,509
Place	Corporate Building Services	Reduced maintenance required on a number of building assets as size of the corporate estate is reduced or investment in buildings reduces maintenance costs	50
Place	Corporate Property Services	Additional income generated from the re-letting of released space in the Civic as a result of the agile programme	275
Place	Corporate Property Services	Additional income via existing investment properties and new property acquisitions	100
Place	Cultural Services	Additional saving as a result of new leisure centres contract	92
Place	Cultural Services	Savings as a result of establishment of community hubs and better one stop shop facilities	82
Place	Housing & Public Protection	Increase to fees and charges and increased income generation activity across Bereavement Services, Registration Services, Building Control, Trading Standards, Food & Safety, HMO licensing and Housing Renewals.	213
Place	Housing & Public Protection	Integrate asylum seeker housing function in core Housing Options service	37
Place	Housing & Public Protection	Proceeds of Crime (POCA) income to be reinvested in core Trading Standards Service	10
Place	Housing & Public Protection	A fee to 'save the date' for future weddings at civic centre	25

Director	Head of Service Budget	Savings Proposals	Savings 2020/21 £'000
Place	Housing & Public Protection	Savings as a result of the conclusion of the Renewal Area programme when it expires in 2019	86
Place	Planning & City Regeneration	Move City Centre Halloween Event into cultural programme (from regeneration)	10
Place	Planning & City Regeneration	Planning Applications Fee uplift	50
Place	Planning & City Regeneration	Reduce net to taxpayer of cost of Natural Environment services by generating additional income and maximise use of grants	25
Place	Planning & City Regeneration	Saving as a result of Swansea Vale Landscape Maintenance changes	10
Place	Various	"Income earning" services to self-fund pressures from increased fee charges on full cost recovery basis	750
Place	Various	Review of additional staffing costs	250
Place	Waste Management & Parks	Increase graffiti removal charges to ensure full cost recovery	10
Place	Waste Management & Parks	Reduction in use of HGV vehicles (SKIPS)	57
Place	Waste Management & Parks	Recycling container provision to be by collection only	30
		Place	2,162
Resources	Resources	Recover exceptional admin costs from the City Deal	46
Resources	Resources	Efficiencies in Digital services as a result of current programme changes, e.g. lines, licences etc	65
Resources	Resources	Recharge lawyer costs against large project budgets and contract work	20
Resources	Resources	Review of insurance levels/reserves	700
Resources	Resources	Review of Management Structure	40
Resources	Resources	Review of costs of Welsh Translation Service (as part of joint working with NPT)	10
		Resources	881
Social Services	Adult Services	Amalgamation of Ty Cila and Alexandra Road Respite Provision (implemented)	48
Social Services	Adult Services	Implementation of the Social Services and Poverty & Prevention Business Support hub	181
Social Services	Adult Services	Increase partner contributions or alternative forms of funding for Local Area Co-ordinators and increase coverage	100
Social Services	Adult Services	Increase regional investment in Hospital to Home Recovery Service	190
Social Services	Adult Services	Increased client income	500

Director	Head of Service Budget	Savings Proposals	Savings 2020/21 £'000
Social Services	Adult Services	Review all Mental Health and Learning Disability packages of care, to ensure that they are fit for purpose and all those eligible for health funding receive it	750
Social Services	Adult Services	Review of Senior Staff structure across Adults, Children and Poverty and Prevention Services to create a better structure	500
Social Services	Adult Services	Targeted increase in recourse to direct payments where this is a more cost effective alternative to traditional forms of direct care provision.	250
Social Services	Child and Family Services	Better integrated arrangements with Child & Family and Poverty & Prevention to create one single approach to achieve a reduction in residential placements	400
Social Services	Child and Family Services	Better integrated arrangements with Child and Family and Poverty and Prevention to create one single approach to IFA placements	500
Social Services	Child and Family Services	Maximise regional grant opportunities across the service to off-set where appropriate	200
Social Services	Poverty & Prevention	Relocation of staff from Alexandra House to release grant funding from Flying Start and Families First	40
Social Services	Poverty & Prevention	Integrate Family Support Services into a single family support function that operates with a more targeted prevention offer	100
Social Services	Poverty & Prevention	Review opportunities for Outdoor Centres with new business model. Full consultation will be undertaken on completion of the review.	180
Social Services	Poverty & Prevention	Review structure in the Life Stages Team to achieve better alignment other roles in Child and Family and adult services	20
		Social Services	3,959
		Grand Total	9,705

APPENDIX D

Part 2 – Service Pressures and Investment

Director	Description	20/21 £'000
Education	Unbudgeted and uncontrollable ER/VR and ongoing pension costs - beyond base budget assumptions re service pressures	600
Education	ALN - out of county placements and pupil support - beyond base assumptions re service pressures	800
Education	Home to School Transport beyond base assumptions re service pressures - very largely statutory ALN demands	835
Education	Catering and Cleaning cost pressures - beyond general pay assumption & food costs and net of assumed further efficiency measures (should be offset by further proposed price and SLA charge increases proposed)	290
Education	Free School Meal costs - impact of national changes in entitlements and transitional protection - with no tangible additional base funding within 19-20 local government finance settlement	330
Poverty and Prevention	Creation of a Men's Shed Fund	25
Poverty and Prevention	Human rights funding	50
Place	Restate previous year agreed saving for switching off lighting on non-highways owned land	46
Place	Restate previous year agreed saving for removal of school crossing patrols where suitable safe measures exist	25
Place	Create community engagement resource to assist with creation and roll out of hubs (re RCT model)	60
Place	Review income and remove charges from non-profit outlying car parks making them free	50
Place	Establish cleansing team resource targeted at 'community hot spots' 'sign cleaning' 'rubbish clearing' 'weed removal' 'overgrowth cut backs'	500
Place	Extra resource to fix 'bottlenecks' to ensure faster delivery of community budget schemes	50
Place	Enhance cleansing service to ensure missed collections / spillages are dealt with same day	60
Place	Employ additional grants officers to secure further major central grants and also assist in securing community grants	150
Place	Additional resource to assist in progressing major project and de-risking delivery	100
Place	Remodel structure and establish new business investment function as part of new commercial team structure	100
Place	Retain additional 50th funding for events until arena fully open in 2022	150
Place	Create resource to coordinate and progress delivery of all climate emergency and natural environment obligations detailed in the carbon reduction action plan (including section 6 obligations)	75

Director	Description	20/21 £'000
Place	Introduce dedicated resource to support SME developers to assist the delivery of more local housing	75
Place	Mechanical sweeper operation expansion	50
Place	Additional drainage crew	100
Place	Flooding contingency fund	10
Place	Transport review resource	60
Place	<i>Increased costs of wildflower planting to help ensure our commitment to the natural environment is sustained</i>	20
Resources	Cost of supporting protected groups to engage with the Council during consultation and co-production	5
Resources	Fund revenue for free WiFi in commercial centres	50
Resources	Consider additional legal support to unblock 'bottlenecks'	150
Resources	Restructure support in cabinet office to achieve more flexible and responsive support structure - this will include agile working by resources to support CM's at meetings, dedicated resource to monitor all media and proactively engage on issues - linking communications and service areas, additional junior resource to support PA's and to undertake basic organisational tasks. Consider merging Lord Mayor support function with Chief Officer support function	150
Resources	Increase resource in members support /democratic services	50
Resources	Consider additional resource to assist with faster digital transformation programme delivery	100
Resources	Regional obligation funding - legal, finance, admin support	200
	Total of new pressures and investment	5,316

Items in ***bold italic*** have been amended since the January 2020 Budget Proposals report to Cabinet

Budget Consultation Results 2020

1. Budget Consultation

Consultation on the specific budget proposals ran from 10th January 2020 to 9th February 2020. A survey was produced detailing the council's budget proposals, giving people the opportunity to provide their feedback. In total 289 people took part in the general budget consultation survey.

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

1671 visits to our Budget Consultation webpages. The link on Staffnet went straight to the main budget page.

Communication and Social Media

The consultation was promoted across Swansea within the press and social media. This resulted in:

- 2 press releases in total
- 4 media mentions, including a front page lead and a double page spread in South Wales Evening Post
- 4 Facebook posts – with a total reach of 13,600 and 1,410 engagements
- 7 tweets – 20.1k impressions and 388 engagements

2. Budget Consultation Summary Results (full results Appendix 1)

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

- Future funding of services
- Proposed spend 2020/21
- Future Spend
- Specific budget proposals

Future funding of services

40% Would be prepared to pay more for some services rather than lose them

76% Would prefer for the Council to deliver services in a different way rather than lose them

Proposed Spend

76% Agree that Social Services and Education should remain the Council's priority in terms of future spend?

Future Spend

Respondents were asked: **If there was money available, in which areas would you like to see the Council invest in?**

Areas which were selected the most are outlined below:

53% Care for Older People and Disabled Adults

48% Street/Road Repairs

47% Parks & Green Spaces

43% School improvements

42% Keeping Children Safe

Specific Proposals

Both proposals were supported by respondents.

85% agree to introduce a premium service to allow individuals to 'save the date' for future weddings up to 2 years in advance. Proposal to charge £25 per booking.

75% agree with proposal to replace the current delivery-to-the-door service provided by the council for replacement food caddies, reusable pink sacks and recycling bags. The service would be replaced with a service which will allow residents to collect replacements from various local outlets as detailed on the council website. Exemptions will be considered on a case-by-case basis for example residents with significant mobility or other health issues.

Text comments provided in the survey have been presented in full to Cabinet members for consideration.

3. Staff

In January/February 2020 a series of staff roadshows were held to explain the budget proposals and council priorities.

4. Children and Young People

As part of our planned 'Big Conversation' events with children and young people, we held an event on the 17th January 2020 which was attended by 68 children and young people (aged between 7 and 18 years old).

During feedback and evaluation from young people of Budget Big Conversations young people told us that they did not want to dedicate an entire Big Conversation session to the budget as they felt as though they have contributed opinions over the last few years and that many of the questions within the budget consultation were the similar as previous years, which they had already contributed too or were not directly relevant to them

Children & Young people aged 7 – 18 years were offered the chance to contribute to the online budget consultation in the same way as other residents in Swansea, so their views would be included within the main body of the results. The link to the on-line survey was shared at the Big Conversation, so that individuals and schools could access the survey should they wish to do so.

Children & Young People were asked if they would like to contribute to the proposal for the Outdoor Education Centres and shared that they were particularly keen to contribute once more information is available, along with other more detailed service proposals when they arise.

Children & Young people told us that they would rather discuss the budget as and when it is relevant to the priority topic that they have allocated to each Big Conversation. This will ensure that young people contribute meaningful opinions on matters that they understand and are directly affected by.

Appendix 1

**If you require this survey in an alternative format
e.g. large print please email
consultation@swansea.gov.uk or tel 01792 636732**

Are you ...

211 (73.3%)	A member of the public	0 (0.0%)	A third sector organisation/partner organisation (please specify)
73 (25.3%)	A council employee	3 (1.0%)	A private sector organisation/partner organisation (please specify)
1 (0.3%)	An elected member		
15 (100.0%)			

Future funding of services

Due to the size of the budget challenge facing the Council, we may not be able to provide the same number or level of services in the future.

We want your views on how we can provide services in the future:

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

107 (40.4%) Yes
158 (59.6%) No

If yes, please state in the box below which services you would be prepared to pay towards in the future:

93 (100.0%)

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

204 (76.1%) Yes
64 (23.9%) No

If yes, please state in the box below how would you like services delivered differently in the future.

117 (100.0%)

Proposed Spend 2020/21:

Do you agree or disagree that Social Services and Education should remain the Council's priority in terms of future spend?

104 (39.4%)	Strongly Agree	97 (36.7%)	Tend to Agree	45 (17.0%)	Tend to Disagree	18 (6.8%)	Strongly Disagree
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If you disagree, please tell us why?

63 (100.0%)

Future Spend:

If there was money available, in which areas would you like to see the Council invest in?

130 (52.8%)	Care for Older People and Disabled Adults
22 (8.9%)	Keeping people informed about the Council
40 (16.3%)	Engaging and consulting people on things the council does
32 (13.0%)	Promoting and supporting Equality and Diversity
19 (7.7%)	Improving the Council's website
19 (7.7%)	Promoting and supporting Welsh Language
51 (20.7%)	Making the Council more commercial
103 (41.9%)	Keeping Children Safe
105 (42.7%)	School improvements
68 (27.6%)	Additional Learning needs
77 (31.3%)	Education services
48 (19.5%)	Adult learning
118 (48.0%)	Street/Road Repairs
53 (21.5%)	Traffic Management
51 (20.7%)	Car Parking
56 (22.8%)	Council Housing
26 (10.6%)	Improvements to Council buildings
96 (39.0%)	Housing & Homelessness
94 (38.2%)	Tackling Poverty
81 (32.9%)	Libraries
54 (22.0%)	Community Centres
67 (27.2%)	Children's Play / Youth Services
40 (16.3%)	Developing Swansea City Centre
50 (20.3%)	Refuse Collection
84 (34.1%)	Recycling services
75 (30.5%)	Street cleaning
115 (46.7%)	Parks & Green Spaces
76 (30.9%)	Sports, Leisure & Cultural Facilities
77 (31.3%)	Transport services/ Bus station
18 (7.3%)	Other (write in)
36 (100.0%)	

Budget Proposals

Housing and Public Protection:

Do you agree or disagree with the proposals listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Introduce a premium service to allow individuals to 'save the date' for future weddings up to 2 years in advance. Proposal to charge £25 per booking.	116 (45.1%)	77 (30.0%)	34 (13.2%)	30 (11.7%)

If you disagree with any of the above, please tell us why?

59 (100.0%)

Waste Management and Parks:

Do you agree or disagree with the proposal listed below?

	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
Proposal to replace the current delivery-to-the-door service provided by the council for replacement food caddies, reusable pink sacks and recycling bags. The service would be replaced with a service which will allow residents to collect replacements from various local outlets as detailed on the council website. Exemptions will be considered on a case-by-case basis for example residents with significant mobility or other health issues.	124 (46.6%)	75 (28.2%)	26 (9.8%)	41 (15.4%)

If you disagree, please tell us why?

81 (100.0%)

Any Other Comments:

If you have any other comments about the budget proposals or anything else contained in the budget Cabinet report please write in here:

122 (100.0%)

Future Involvement:

We will shortly be reviewing how we run our Outdoor Centres. There are currently 2 council owned outdoor centres, Ty Borfa in Port Eynon and Ty Rhossili. We need to consider how best to run these centres going forward.

Do you have any views/suggestions that you would like the Council to consider in relation to our review of Outdoor centres?

112 (100.0%)

If you would like to take part in future consultation in relation to our Outdoor Centres, please provide your details below:

Name:

31 (100.0%)

Email:

31 (100.0%)

Address:

27 (100.0%)

About You

These questions are optional, but we need to ask them to understand if our consultation has reached the right people and to understand how different groups may be affected by the proposals allowing us to address this if we can. In accordance with Data Protection law, any information requested on the following questions is held in the strictest confidence for data analysis purposes only. For further information about how Swansea Council uses your personal data, please see our corporate privacy notice on our website.

Are you...?

112 (44.4%) Male

140 (55.6%) Female

Is your gender the same as that which you were assigned at birth?

234 Yes
(98.3%)
4 (1.7%) No

How old are you ...

0 (0.0%)	Under 16	46 (17.9%)	56 - 65
9 (3.5%)	16 - 25	19 (7.4%)	66 - 75
55 (21.4%)	26 - 35	5 (1.9%)	76 - 85
61 (23.7%)	36 - 45	0 (0.0%)	Over 85
52 (20.2%)	46 - 55	10 (3.9%)	Prefer not to say

Would you describe yourself as...

Please mark all that apply

105 (47.7%)	British	3 (1.4%)	Other British (please write in at end)
96 (43.6%)	Welsh	2 (0.9%)	Non British (please write in at end)
17 (7.7%)	English	0 (0.0%)	Gypsy/traveller
7 (3.2%)	Irish	1 (0.5%)	Refugee/Asylum Seeker (please write in current/last nationality at end)

0 (0.0%) Scottish

Write in here

12 (100.0%)

To what 'ethnic' group do you consider

217 (91.6%)	White - British	1 (0.4%)	Asian or Asian British - Bangladeshi
13 (5.5%)	Any other White background (please write in at end)	1 (0.4%)	Any other Asian background (please write in at end)
0 (0.0%)	Mixed - White & Black Caribbean	0 (0.0%)	Black or Black British - Caribbean
0 (0.0%)	Mixed - White & Black African	0 (0.0%)	Black or Black British - African
1 (0.4%)	Mixed - White & Asian	1 (0.4%)	Any other Black background (please write in at end)
1 (0.4%)	Any other Mixed background (please write in at end)	0 (0.0%)	Chinese
0 (0.0%)	Asian or Asian British - Indian	2 (0.8%)	Other ethnic group (please write in at end)
0 (0.0%)	Asian or Asian British - Pakistani		

Write in here

22 (100.0%)

What is your religion, even if you are not currently practising?

Please mark one box or write in

126 (51.0%)	No religion	0 (0.0%)	Jewish
107 (43.3%)	Christian (including Church of England, Catholic, Protestant, and all other Christian denominations)	2 (0.8%)	Muslim
2 (0.8%)	Buddhist	0 (0.0%)	Sikh
0 (0.0%)	Hindu	10 (4.0%)	Other

Any other religion or philosophical belief (please write in)

17 (100.0%)

Do you consider that you are actively practising your religion?

61 (28.4%) Yes
154 (71.6%) No

What is your sexual orientation

8 (3.2%)	Bisexual	41 (16.5%)	Prefer not to say
19 (7.6%)	Gay/ Lesbian	2 (0.8%)	Other
179 (71.9%)	Heterosexual		

Please write in

6 (100.0%)

Can you understand, speak, read or write Welsh?

Please mark all that apply

23 (10.2%)	Understand spoken Welsh	5 (2.2%)	Write Welsh
6 (2.7%)	Speak Welsh	24 (10.7%)	Learning Welsh
11 (4.9%)	Read Welsh	173 (76.9%)	None of these

Which languages do you use from day to day?

Please mark all that apply

223 (98.7%) English
6 (2.7%) Welsh
6 (2.7%) Other (write in)

Please write in

15 (100.0%)

Do you have any long-standing illness, disability or infirmity?

By long-standing we mean anything that has troubled you over a period of time or that is likely to affect you over time.

This could also be defined Under the Disability Discrimination Act 1995 as: "Having a physical or mental impairment which has a substantial and long term adverse effect on your ability to carry out normal day to day activities."

72 (28.5%) Yes
181 (71.5%) No

Does this illness or disability limit your activities in any way?

56 (24.8%) Yes

170 (75.2%) No

Thank you for your participation

Equality Impact Assessment (EIA) Statement for Swansea Council's Budget 2020/21

1. Introduction

This statement provides an overall view of the budget EIA process for the Council, along with any specific relevant details for 2020.

The budget is set for the council's operation which covers a wide range of services delivered to the citizens of Swansea. This includes both providing and commissioning of services from other organisations and agencies.

We, like other local authorities, will be facing a reduction in budgets every year for the foreseeable future. We also need to manage increased expectation and demand for services and financial pressures in a number of areas across the Council.

The council has faced unprecedented financial pressures over the last few years due to government budget reductions, increased demand for services and extra costs such as teachers' pay and pensions. We think our funding from Welsh Government, whilst substantially positive this year, will not increase our immediate real terms spending power, nor is it likely to increase significantly in future years. This means we will continue to have less to spend in real terms at a time when demand for services like social care is rising. The result of this is a need to find savings of £16.2 million next year and roughly £60 million in savings over the next four years.

Change is already taking place and over the last few years the council has cut costs by being more efficient and more effective in what we do. But this is not enough to meet the scale of cuts and ensure council services are sustainable and fit for the future. Clearly, the sheer amount of savings required means that difficult decisions and potential impacts are inevitable. However, we continue to focus on mitigating any adverse impacts via our EIA process as well as officer expertise.

The authority embarked on a specific strategy 'Sustainable Swansea - Fit for the Future' as a means of setting Council priorities, transforming services and addressing current and future deficits.

The council agreed a set of budget principles to help guide the debate and provide an approach driven by council policy.

There are four key issues:

- Improving efficiency
- New models of delivery
- Prevention
- Future service provision

Further information on 'Sustainable Swansea - Fit for the Future' is available at: <http://www.swansea.gov.uk/sustainableswansea>

In terms of equality, the council is committed to protecting the vital frontline services that matter most to the people of Swansea, tackling poverty and looking after the most vulnerable in our communities. This will continue, although services may be delivered in different ways in future.

2. The Equality Impact Assessment (EIA) process

The council has had an EIA process in place for a number of years which was reviewed and streamlined for the second time last year. The process covers:

- The nine protected characteristics covered by the Equality Act 2010
- The Public Sector Equality Duty for Wales
- Consultation and engagement
- Poverty and social exclusion
- Welsh language
- United Nations Convention on the Rights of the Child (UNCRC)
- Carers
- Community cohesion
- Human rights principles.

In order to apply the EIA process, officers follow these steps:

- An initial screening exercise (to identify whether a full EIA report is necessary)
- Completion of a full EIA report (where required)
- Quality assurance and feedback
- Sign off at Head of Service level
- Publication on the Council's website alongside the relevant report
- Review.

Officers have access to dedicated departmental support from members of the Access to Services Team who co-ordinate the quality assurance of EIAs whilst also offering advice and guidance.

The process does not change for specific budget proposals.

3. Assessing impact

Due to both the nature of the proposals being considered and the regulatory framework around EIAs, many now take a number of months to reach a conclusion. The budget planning process operates over a 3-year period, with many proposals being considered, designed and altered prior to implementation over this time period.

Officers are always advised to undertake the initial screening as early as they can, with (if required) a full EIA report then opened as soon as possible. This is then completed as proposals are worked through and means that we are now working on budget EIAs throughout the year.

As a result, the assessment of impact is not a one-off exercise – it is a continuing process.

To ensure an ongoing rigorous process, the following elements are of note:

- Where officers have concerns and/or queries, meetings are held with the Access to Services Team to look at both the proposal and the EIA
- EIA reports are often added to over a period of time, e.g. following consultation and engagement activities, following changes to the detail of proposals
- Quality assurance is carried out by officers with expertise in the areas of equality, Welsh language, poverty and the UNCRC
- Where a proposal has potential adverse impacts, officers utilise the EIA process to focus on mitigation
- Where a proposal has potential adverse impacts that cannot be mitigated, the EIA is referred to senior managers for attention and consideration.

In addition, with a number of both commissioning and other reviews underway across the organisation, the total or overall impact of the proposed budget is difficult to fully assess at any point of implementation, particularly with the EIA process being a continuing feature as proposals are further developed.

Therefore, we will continue to publish each EIA report with the relevant corporate report at:

<http://democracy.swansea.gov.uk/ieDocHome.aspx?bcr=1&LLL=0?Lang=eng>

4. Consultation and engagement

Whilst there is a specific regulation around engagement (contained within the Public Sector Equality Duty for Wales), our 'Sustainable Swansea - Fit for the Future' strategy contains a substantial emphasis on consultation and engagement too.

Corporate budget consultation takes place on a wide variety of specific proposals. This includes consultation with children and young people. Others are consulted on using service-specific groups and/or activities.

Corporately, the consultation results are reported separately via the budget reports themselves.

5. Local information

Our stakeholders are:

- All citizens of, and visitors to, the City & County of Swansea
- Council staff

- Partner organisations
- Council Tax Payers.

The Council delivers services to all the citizens of the City & County of Swansea. The overall population profile from the latest population estimates (2017) and 2011 Census is as follows:

- The gender split of the **City & County of Swansea** is **50.0% Female** (122,600 people) and **50.0% Male** (122,800 people).
- Children and young people **aged 0-25 years** represent **32.7%** of the population, or **80,300** people.
- **Over 50s** represent **37.7%** of the population (92,400 people), of which around **47,500** are over 65 (19.4% of the total population).
- **6.0%** of the total population of Swansea (**14,300** people) came from an ethnic minority background. In terms of religion, **8,530** people (**3.6%** of the population) belonged to non-Christian faiths with 34% (81,219 people) having no religion.
- **23.3% (55,718 people)** had a long term health problem or disability including 17.4% of people of working age (26,988 people). **6.9%** of those aged 16-74 (**12,146 people**) were economically inactive due to long term sickness or disability.
- In 2011, there were **26,332** Welsh speakers in Swansea, or **11.4%** of the population aged 3+. **44,659** people (19.3%) had one or more skills in Welsh.

Further information about Swansea's population can be found at www.swansea.gov.uk/keyfacts

Officers consider the particular service users or groups affected when applying the EIA process.

6. Staffing

The Cabinet report in January 2020 referred to 48 posts at risk throughout the Authority, not including any impact in schools. Heads of Service have been provided with the same advice as in previous years that where an application is made for early retirement/voluntary redundancy consideration should be given as to whether there is any potential equality impact effect and, if there is, to follow the EIA process.

7. Publication Arrangements

All EIA reports will be published as they are finalised. As mentioned earlier in this statement, due to the nature of many of the proposals this is likely to take time as assessment of impact continues to be undertaken as proposals are further developed.

8. Conclusion

We know from previous years that, due to the scale of budget reductions, those with protected characteristics are likely to be affected. In assessing the impact of the budget proposals, we continue to attempt to ensure that any effect is not

disproportionate and that we continue to focus on mitigation wherever possible. In this context the following should be noted:

- where EIAs show potential significant impact with no possible mitigation, these proposals will be referred for further consideration
- for those EIAs where potential significant impact has been identified and mitigation has been possible, the associated action plans will be monitored and reviewed
- the outcomes of engagement will inform EIAs
- this is an ongoing process and as noted this statement and many EIAs will remain open for varying periods of time
- there is a focus on the council doing things differently in order to further deliver services that are flexible, citizen-centered, meet individual needs and are sustainable for the future.

The council continues to deliver a wide range of services for all the citizens of Swansea. Many of these are of particular benefit to the areas covered by our EIA process, e.g. the protected characteristics defined within the Equality Act 2010.

As highlighted earlier in this statement, the council is committed to protecting the vital frontline services that matter most to the people of Swansea, tackling poverty and looking after the most vulnerable in our communities. The council will continue to do everything it can to meet this challenging commitment given the financial constraints it faces. However, services may be provided in a different way in line with 'Sustainable Swansea - Fit for the Future'.

Response of the Schools Budget Forum

None received at time of publication.

Revenue Budget 2020/2021

Resources

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Resources Directorate		
Deputy Chief Executive	190,100	194,600
	190,100	194,600
Chief Finance Officer		
Audit	580,200	595,800
Benefits	24,942,100	25,613,800
Finance DMT	415,700	230,700
Financial Services	1,366,700	1,323,000
Pensions	-7,400	9,600
Revenues	381,600	515,500
Service Centre	1,908,500	1,971,100
Treasury and Technical	483,100	612,700
	30,070,500	30,872,200
Chief Legal Officer		
Coroners	731,000	742,000
Democratic Services	2,552,200	2,725,100
Information Governance Unit	162,900	167,500
Legal Services	2,072,000	2,323,900
Overview and Scrutiny Unit	199,600	210,600
	5,717,700	6,169,100
Chief Transformation Officer		
Commercial Team & Procurement	527,500	*408,300
Corporate Customer Services & Complaints	958,300	891,700
Digital & Transformation Services	6,165,800	7,732,200
Human Resources & Organisational Development	706,100	656,700
Welsh Translation Unit	104,500	149,300
	8,462,200	9,838,200
Head of Communication & Customer Engagement		
Access to Services	94,500	140,600
Communications	134,800	357,700
Community Integration Team	101,300	104,300
Corporate Marketing	324,300	439,700
Corporate Mgt Team Support	332,400	340,700
Design and Print	161,600	124,300
Health and Safety	695,200	811,300
Strategic Delivery Unit	580,300	449,300
	2,424,400	2,767,900

*Reflects an assumption over increased income accruing to the service from activity undertaken by the service on behalf of the whole Council

Revenue Budget 2020/2021

Resources

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Sustainable Swansea		
Workstreams	-1,754,100	0
	-1,754,100	0
Total Resources	45,110,800	49,842,000

Revenue Budget 2020/2021

Poverty & Prevention

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Poverty & Prevention		
Adult Prosperity & Wellbeing Service	791,300	764,100
Cross Directorate Commissioning	795,500	735,500
Early Intervention Services	955,900	711,500
Head of Poverty & Prevention	114,000	0
Partnership Performance & Commissioning	1,214,500	1,364,800
Young Peoples Services	2,038,600	985,400
Poverty & Prevention Staffing Savings	-1,458,100	-193,300
	4,451,700	4,368,000
Total Poverty & Prevention	4,451,700	4,368,000

Revenue Budget 2020/2021

Social Services

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Head of Adult Services		
Directorate Services	4,814,800	5,199,750
Disability Residential & Day Care	6,644,000	6,160,400
Integrated Services - Domiciliary Care & Hubs	21,508,350	23,189,350
Integrated Services - External Residential	16,047,850	16,148,850
Integrated Services - Other	2,879,500	3,078,400
Learning Disabilities & Mental Health Support	18,640,200	19,120,800
Older Persons Residential and Day Care	5,840,300	5,407,400
Safeguarding/Wellbeing	2,380,850	1,987,550
Western Bay	249,150	200,000
Commissioning Reviews	-500,000	0
Business Support Review	-205,000	-181,000
Staffing Savings	-900,000	-189,800
	77,400,000	80,121,700
Head of Child & Family Services		
Accommodation Services	18,782,800	19,653,800
Aftercare	1,277,400	1,346,000
Assessment and Care Management	12,520,800	12,902,400
Family Support Services	3,298,600	3,343,800
Regional Services	2,134,600	2,296,150
Residential Care-Internal Provision	624,800	702,150
	38,639,000	40,244,300
Total Social Services	116,039,000	120,366,000

Revenue Budget 2020/2021

Education

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Delegated Schools		
School Cost Centres	150,720,217	160,452,000
	150,720,217	160,452,000
Director of Education		
Mgt & Admin Effectiveness	129,800	144,000
Schools At Risk	109,056	109,100
	238,856	253,100
Head of Achievement & Partnership Service		
Education Improvement Service	1,251,600	1,170,600
Management Systems Unit	184,400	218,500
Welsh Service	32,600	0
	1,468,600	1,389,100
Head of Vulnerable Learner Service		
Behaviour, Learning Support & EOTAS	6,276,900	6,344,300
Cleaning Services	91,860	101,800
Ethnic Minority Achievement Unit	38,000	0
Head of Learner Support Service	103,600	0
Miscellaneous Grants	103,400	103,800
Psychology Service	702,500	664,400
Recoupment/Out of County	1,035,000	885,000
School And Governor Unit	363,600	351,700
School Meals	660,800	708,400
SEN Statementing & Support	3,794,500	4,954,900
STF Additional Hours	1,069,373	1,039,400
Swansea Music Service	45,300	13,000
Transport	7,593,100	8,085,200
Welfare Service	621,100	518,300
	22,499,033	23,770,200

Revenue Budget 2020/2021

Education

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Head of Education Planning & Resources		
Additional School Support	78,200	36,200
Broadband & Cloud Technology	363,900	284,900
Capital Planning & Delivery Unit	377,625	344,800
Continuing Education & Pensions	410,300	402,300
Education Improvement Grant for Schools	714,418	714,000
Empty Properties	15,500	14,500
Funding & Information Unit	76,600	49,600
Health & Safety	84,500	84,500
Learning Portal Team	52,500	38,500
Management & Admin-Planning & Resources	101,700	105,000
Non Delegated - Pensions, Insurance & Public Duties	5,439,126	5,913,375
Post 16 Funding	-5,132,945	-5,132,945
Pupil Deprivation Grant	-7,011,930	-7,011,930
Stakeholder Engagement Unit	191,800	125,800
	-4,238,706	-4,031,400
Total Education	170,688,000	181,833,000

Revenue Budget 2020/2021

Place

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Head of Corporate Building		
Property Preventative Maintenance	3,001,100	2,951,200
Building Services Trading	1,345,400	1,102,500
	4,346,500	4,053,700
Head of Corporate Property		
Facilities Management	2,930,800	1,938,801
Strategic Estates Properties	-678,200	426,100
	2,252,600	2,364,901
Head of Highways & Transportation		
Car Parking and Enforcement	-3,192,800	-3,197,200
Transportation	4,847,500	5,108,700
Traffic Management	1,092,900	1,203,000
Central Transport	-575,900	-730,000
Engineering	664,400	706,900
Highways	7,117,400	7,355,900
Swansea Marina	-82,400	-70,200
Directorate and Other Costs	-60,300	-121,000
	9,810,800	10,256,100
Head of Waste Cleansing & Parks		
Household Waste Recycling Centres	872,300	1,430,500
Parks	5,238,600	5,335,196
Recycling and Residual Waste Collection	6,897,500	7,565,200
Residual Disposal/Tir John	4,032,400	3,574,900
Trade Refuse	-776,900	-546,000
Neighbourhood Working	4,592,800	5,300,004
Directorate and Other Costs	1,265,300	137,800
	22,122,000	22,797,600
Place Directorate		
Place Directorate	339,250	1,012,300
Workstreams	-1,424,200	-728,200
	-1,084,950	284,100

Revenue Budget 2020/2021

Place

	ORIGINAL BUDGET 2019/2020 £	ORIGINAL BUDGET 2020/2021 £
Head of Cultural Services		
Archives	218,700	222,700
Arts	2,353,100	2,191,099
Community Buildings	210,200	216,200
Development and Outreach	241,300	257,100
Libraries	3,084,700	3,045,100
Sport and Recreation	3,362,950	2,688,600
Tourism, Marketing & Events	1,483,400	1,608,100
Directorate and Other Costs	387,200	628,200
	11,341,550	10,857,099
Head of Planning & City Regeneration		
Business Support	344,319	353,619
Property Development	833,398	1,279,198
City Centre Management & Indoor Market	-331,400	-383,500
European & External Funding Team	0	0
Major Projects, Design and Conservation	112,600	120,700
Planning Control	452,600	459,500
Planning Policy and Environment	941,000	940,500
Directorate and Other Costs	219,783	391,483
	2,572,300	3,161,500
Head of Housing & Public Health		
Building Regulations	130,900	140,400
Burials and Cremations	-817,700	-1,011,100
Food Safety	650,200	667,600
Licensing	-44,700	-35,500
Pollution	708,900	653,800
Public Health	823,900	746,700
Registrars	4,500	-33,500
Trading Standards	629,500	608,600
Housing Grants to the Independent Sector	40,500	40,500
Housing Renewals and Adaptations	198,800	59,800
Housing Strategy, Advice and Support	1,872,700	1,892,100
Other Housing Services	496,200	509,000
Directorate and Other Costs	205,000	292,600
	4,898,700	4,531,000
Total Place	56,259,500	58,306,000