



City and County of Swansea

Minutes of the **Scrutiny Performance Panel – Service Improvement & Finance**

Remotely Via Microsoft Teams

Tuesday, 19 October 2021 at 9.30 am

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

P M Black
L James
I E Mann

Councillor(s)

P Downing
M H Jones
D W W Thomas

Councillor(s)

P R Hood-Williams
J W Jones

Officer(s)

Emily-Jayne Davies
Richard Rowlands
Ben Smith
Adam Hill

Scrutiny Officer
Strategic Delivery & Performance Manager
Chief Finance Officer / Section 151 Officer
Deputy Chief Executive / Director of Resources

Apologies for Absence

Councillor(s): P K Jones, B J Rowlands, A H Stevens and R C Stewart

27 Disclosure of Personal and Prejudicial Interests

In accordance with the Code of Conduct adopted by the City and County of Swansea, no interests were declared.

28 Prohibition of Whipped Votes and Declaration of Party Whips

In accordance with the Local Government (Wales) Measure 2011, no declarations of Whipped Votes or Party Whips were declared.

29 Minutes of Previous Meeting(s)

The minutes of the Service Improvement and Finance Scrutiny Performance Panel meeting, held on 20 September 2021, were agreed as an accurate record.

30 Public Questions

There were no public questions

31 Q1 2021/22 Performance Monitoring Report

The Panel received an update from Richard Rowlands, Strategic Delivery and Performance Manager, regarding the Quarter 1 2021/22 Performance Monitoring Report. Adam Hill, Deputy Chief Executive / Director of Resources, also attended to aid discussions.

Discussions focused on:

- Paragraph 2 of the report highlights the impact of Covid on reporting.
- Overall, 81% of indicators have improved or stayed the same.
- The reporting of performance against the *safeguarding* priority has been disrupted this quarter. This is predominantly as a result of the local authority implementing the Welsh Community Care Information System and at the same time Welsh Government (WG) updating its performance framework with the introduction of new performance metrics. Officers anticipate that the new suite of indicators will be accurately reported at Q2.
- The impact of Covid, and associated demands, remains high particularly in adult social care. In relation to adults, demands across the health and social care system are extremely high. Hospitals are struggling to meet current demand, catch up on backlogs, manage Covid restrictions on capacity and manage the numbers of staff having to self-isolate.
- Members queried indicators and why they have improved in such circumstances, asking how indicators are selected. Officers explained that the indicators are to measure priorities within the corporate plan, and are selected specifically for that purpose. WG have introduced a broader framework for Social Services and indicators have subsequently changed.
- Members raised concerns over greater demands from WG on performance management. Officers confirmed that these new arrangements will be built into current workloads, aiming to limit the burden of new demands.
- *Education & Skills* – published attendance data is still not available as a result of the pandemic.
- Authority-wide attainment measurers for Foundation Phase, KS2 and KS3 are no longer collected by Welsh Government.
- In KS4 and A-Level age groups, awarded grades have been determined by schools themselves; lower levels of appeals than expected.
- Attendance remains lower across Wales due to Covid.
- *Economy & Infrastructure* – overview (P27-29) sets out detailed progress report on developments, plus work undertaken to support economic recovery and housing improvements.
- Static indicators are due to data not being available until Q2.
- *Tackling Poverty* – majority of data shows improving trends, with exception of two indicators ('The amount of welfare benefits raised through securing rights and entitlements by the Welfare Rights Team' and 'The average number of days all homeless families with children spent in Bed and Breakfast accommodation').
- It was reported that in Q1 20/21 we were in the height of the pandemic and saw less family homeless presentations due to the suspension of evictions. This had a direct impact on Council data.
- Members queried the use of the term 'tackling poverty' as a general term, suggesting this description be reviewed in the future.

- Members highlighted that, due to frequent changes to the benefits system, the trends in data do not provide a like-for-like comparison, although acknowledged that previous data is vital. Officers also explained that the narrative that accompanies the report will help to clarify trends and results.
- Members queried how poverty is measured and the standard definition. Officers undertook to provide this definition, based on multiple sources and metrics (now received with thanks).
- *Transforming Future Council* – one indicator has declined (number of forms completed online for fully automated processes).
- Members queried why there was not a higher uptake in online services, given the remote nature of working that many people have adapted to.
- Officers explained that the drop in this indicator is due to a very high uptake last year. The figure this year remains high, although has lowered since last year's aberration and the unusually high uptake.
- 'Number of data breaches which has resulted in an enforcement or monetary penalty notice being issued by the Information Commissioners Office' (ICO) – all results zero. Members commented on this as an impressive statistic.

32 Overview: Understanding Financial Reporting (Reserves)

- The Panel received an overview explanation about Revenue Reserves, highlighting the main aspects and characteristics of reporting.
- Members queried whether funds from disposal of, for example property, would be constrained within the capital budget or moved into reserves. Officers explained it would result in a capital receipt on disposal, leading to capital receipts unapplied and therefore earmarked reserves until then applied to fund future capital.
- Capital Equalisation Reserve (CER) – monies are not fully spent on capital projects at present time. Members commented that the CER is large; how is it funded so well presently? Officers explained that CER funding arises from savings on capital financing of the debt, itself a revenue item. It was explained that there have been significant savings on capital financing elements over recent years due to deferral of externalising the debt. Major update due to Council in November on the treasury management strategy.

33 Review of Revenue Reserves

The Panel received the report regarding Revenue Reserves, presented by Ben Smith, Chief Finance Officer.

Discussions focused on:

- Table 3.11 – review of current earmarked reserves: members queried the amount of money in freely available to use cash backed reserves as over £50M. Members recognised some were long-term commitments and had restrictions on spending even where cash backed.
- Officers confirmed this was correct, and substantial inroads (i.e. draws from reserves) were to be expected into contingency, schools and recovery reserves especially.

- It was reported that, following the extremely favourable 2020/21 outturn result, a new reserve was created called the Recovery Fund; £20m has been set aside to aid the economic recovery from COVID-19.
- Officers highlighted that Swansea City Council (SCC) will have higher reserves than many other authorities in Wales. Schools, in particular, held higher reserves, in total than any other authority in Wales.
- Members acknowledged that the uplift from Welsh Government is unknown as yet.
- The Panel agreed this was the highest figure ever reported in Swansea City Council.
- Officers outlined the uncertain outlook ahead, and the need to hold reserves to protect the Authority's position, pending settlement figures.

The Chair thanked all for their attendance and input at the meeting.

34 Letters

35 Work Programme

The Panel noted the Work Plan

The meeting ended at 10.30 am

Chair