



## Report of the Cabinet Member for Economy, Finance & Strategy

Cabinet – 20 January 2022

### Covid Recovery and Investment

<b>Purpose:</b>	To inform Cabinet of the Covid Recovery progress to date and to recommend that Cabinet approve the future plans and further investment proposals
<b>Policy Framework:</b>	Achieving Better Together Programme
<b>Consultation:</b>	Access to Services, Finance, Legal.
<b>Recommendation(s):</b>	It is recommended that Cabinet:  <ol style="list-style-type: none"><li>1) Notes the good progress to date, and the ongoing flexibility required to respond to ongoing and emerging challenges and changes to the Council, its services and its workforce.</li><li>2) In line with the requirements of Financial Procedure Rule 7 (capital programming and appraisals), commits and authorises a new £2m scheme onto the capital programme for the data centre move to the Guildhall</li><li>3) Approves the revised plan and timeline for the implementation of the Oracle programme together with further investment of £3,620,412 in line with the requirements of Financial Procedure Rule 5</li><li>4) Notes the social services update</li><li>5) Notes the capital contingency update, the likely allocations and agrees to continue to hold the balance as a remaining contingency sum</li><li>6) Allocates £2.05m of the Economic Recovery Fund (ERF) monies set out in the report for the purpose of enhanced play facilities and skate park facilities as a new capital budget in line with the requirements of Financial Procedure Rule 7; and delegates the delivery of this programme to the Cabinet Member for Investment, Regeneration and Tourism and the Director of Place to finalise the detailed delivery programme.</li></ol>
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## 1. Introduction

- 1.1 On 15th October 2020, Cabinet approved the new “From Recovery to Transformation” report detailing the 3 Phases from recovery through to the “Swansea – Achieving Better Together, Transformation Strategy & Programme Framework 2022 – 2026”.
- 1.2 The main purpose of the Achieving Better Together Programme is to ensure the council is sustainable, efficient and effective in what and how it delivers its services with the citizen at the heart of all that we do. We want to ensure the right services are available to our communities in the right way and at the right time for them.
- 1.3 As well as identifying the priorities in the short and medium term, the Achieving Better Together framework aims to set the foundations for establishing the longer term shape of the council, looking ahead to the next 20 years to 2040.
- 1.4 The information below sets out the background and current position of the work programme highlighting challenges, risks and issues within individual projects.

## 2. Recover & Refocus Swansea

- 2.1 The strategic aims of Swansea – Achieving Better Together are:
- The core purpose of the Council
  - Transforming services to be effective and efficient
  - Greater collaboration with other Councils, organisations, community groups and residents, with a focus on regionalisation
  - Balancing the budget for current and future years
  - Greater and more meaningful engagements with our residents and community
  - To meet the aspirations and targets within the Medium Term Financial Plan.
- 2.2 The programme phases are not linear but overlap so the work undertaken in the prior phase will inform the next phase.

Phase 1 – Short Term	Re-mobilise	Recovering, restarting & adapting a wide range of Council Services
Phase 2 – Medium Term	Refocus (Up to May 2022)	A strategic response to support the city to emerge and grow from the crisis delivering our corporate priorities
Phase 3 – Long Term (work in Phase 1 and 2 will support the actions in Phase 3)	Reshape (After May 2022)	Longer term City and County regeneration and development strategy

The work of both the Remobilise and Refocus phase have continued throughout the new pressures of the COVID pandemic and continued

impact of COVID. The Councils response has had an impact on progress, however the work-streams have all worked through their agendas to Recover and Refocus the Council.

- 2.3 The council did not only maintain services throughout the pandemic but is well underway on its journey to refocus the Council. Many of the services transitioned to working from home and the many capital and development programmes were maintained through the planning and preparation process to ensure at the first opportunity and when safe to do so, the projects, plans and strategies were re-introduced and building work began, ensuring that Swansea didn't fall behind in its ambitions and programmes to make Swansea better.
- 2.4 It helped that the Council was in a strong position going into the pandemic which enabled desk based staff to make the shift to homeworking easily. In addition, staff from across services got involved in volunteering or supporting vital work to help residents and businesses.
- 2.5 The Achieving Better Together programme is clear in its message that the purpose of the programme is to enable a sustainable, efficient and effective organisation with the citizens of Swansea at the heart. The remobilise phase initiated a plan that done just that, it called on resources from across the organisation to support local residents, communities and businesses through the pandemic as a priority. This included a range of interventions from:
- Food banks and support for those shielding
  - Issuing grants to businesses and direct payments to carers, those self-isolating, or to parents for free school meals.
  - A shift to online channels supported more residents completing online forms for service requests.
- 2.6 The Re-mobilise phase set the 2021/22 budget and refreshed the MTFP. This work was undertaken in the Recovery, Reshaping and Budget Strategy Board and has been closely monitored each month from May 2021.
- 2.7 The continued impact of COVID and the Councils response has had an impact on progress, however the work-streams have all worked through their agendas to refocus the Council.
- 2.8 Phase 2 – Refocus is supporting the council to deliver its ongoing corporate priorities and plans, whilst adapting to address the impacts coming out of the COVID crisis.
- 2.9 Work is ongoing in relation to the continued recovery, refocussing and reshaping the Council and is structured around the following work streams;
- Care Services
  - Education and Learning
  - Future Workforce and Equalities
  - Community Support
  - Economy and Environment

- 2.10 The work-streams have shown great examples of working together and in partnerships to achieve outcomes for our organisation, staff and the citizens of Swansea since the start of the refocus plan in March 2021, achievements include (but are not limited to):

#### For Our Staff and Organisation

- Relaunch of the Leadership hub
- Relaunch of the Ideas Hub
- Involvement Workshops
- Programme timetable for MTFP
- Reporting process for Economic Recovery Fund Monitoring
- Renewed Agile Policy
- Ensuring Staff have a safe environment (e.g. office furniture, DSE risk assessment. available for working from home)

#### For Our Citizens

- Local Area Coordination expansion across Swansea
- Volunteering Toolkits and Training Launched
- Safeguarding & Wellbeing - monitoring of vulnerable children with a shared criteria of understanding vulnerability being used between Education and Child and Family Services.
- Both Education and Child and Family have a Single Point of Contact in relation to vulnerable children accessing on site provision.
- Partnership approach to Community Project to provide free refurbished smart phones with free credit via partner organisations to residents; over 162 phones distributed so far this year. More partners engaged to donate mobiles
- Homelessness Strategy - Over 400 positive moves from temporary accommodation into more suitable supported or permanent accommodation
- Covid Economic Recovery Plan Local businesses supported, safeguarding jobs and securing new investment.

### **3. Challenges**

- 3.1 The ongoing Covid-19 pandemic has brought huge challenges and changes to the Council, its services and workforce. The Council has never undertaken such change in such a short timescale and in such challenging circumstances. A number of non-essential services were suspended in order to redeploy resources to areas where they were most needed.
- 3.2 As work continues to recover and refocus the Council, it is acknowledged that the programme has a requirement to be flexible as there are influences outside of the Councils control that could require a change in approach such as external issues, legislative or guideline changes.
- 3.3 This has been the case on a number of projects for example: following a recent Nature Emergency declaration by Welsh Government, although the Climate Emergency project has had governance in place and has included Biodiversity, Green Infrastructure and Local Development plans from the outset. The steering group reflected on the nature aspect of their work and

a report presented to Cabinet in November demonstrates this commitment. The programme has been renamed: Climate Change and Nature Strategy.

- 3.4 The COVID crisis has been a perfect storm for Swansea Council. The Council has had to take on new responsibilities to support and protect our communities and businesses. In addition, looking ahead, we will play a vital role in supporting social and economic recovery – but are likely to face ongoing funding pressures.
- 3.5 A Report of the Cabinet Member for Economy, Finance & Strategy presented to Cabinet on 16th December 2021 titled - Revenue and Capital Budget Monitoring 2nd Quarter 2021/22. The report acknowledged an estimated overspend for the year of £15.9million. Bar some “Business as usual” fluctuations, this amount is in effect entirely because of the COVID 19 pandemic and relevant increases in expenditure and reductions in income as a result. More detailed information can be found in section 2 of the report - Revenue Outturn Forecast Based on 2nd Quarter position.
- 3.6 Individual projects within work-streams have their own risks and issues. It has been recognised that a number of projects carry higher risk than others. These projects in particular require flexibility in their plans for delivery. The main projects impacted are below:

<b>Work-stream</b>	<b>Project</b>
Workforce & Equality	Workforce Challenges
	Data Centre Move to Guildhall
	Oracle Programme
	Variation Vaccination Service & Track & Trace
Learning & Education	Developing and maintaining digital interface between schools and local authority
Care Services	Social Care Recovery
Environment & Economy	Capital Maintenance

#### **4. Workforce & Equality**

##### **4.1 Workforce Challenges - For Information**

- 4.1.1 The Covid-19 pandemic placed significant pressure on the Council’s workforce. That pressure varied across services and became multi-layered throughout 2020 and continuing throughout 2021. During this time, emergency structures were established and resources were prioritised towards Covid-19 activities.
- 4.1.2 The introduction of a revised Agile Working Policy gives greater power to the employee to work in an agile manner, whilst ensuring the needs of the business continue to be met. This is now informing decisions on the future accommodation strategy which will continue to see a reduction in the office estate but ensuring flexibility to meet the needs of the evolving hybrid working model.
- 4.1.3 In the first nine months of the 2020/21 and up to October 2021, headcount and FTE has increased in all Directorates.

Place Directorate	there has been an increase in Traineeship roles (especially in Waste Management) which then result in permanent posts at the end of the Traineeship. Some areas have also received external funding to create specific roles e.g. Workways.
Resources Directorate	the vast majority of headcount increase relates to additional TTP and vaccination-line staff recruitment. There are approximately 276 employees working in that team and are in the process of recruiting additional Staff.
Social Services	Aside from Social Services internally investing within their services, they have applied for and received significant funding, used to create additional posts and in turn has increased headcount and FTE. There remains significant recruitment and retention issues within this Directorate, more detailed information is in section 6 – Care Services.

4.1.4 Management of Absence Officers have been appointed to support managers in Education, Place and Social Services in the pro-active management of sickness absence in those Directorates and particularly in Service areas where sickness absence is at its highest. Sickness absence rates across the Council have reduced significantly from 13.38 in 2019/20 to 6.62 in 20/21. That trend has continued into 2021/22.

4.1.5 Specific response to Covid 19

**Volunteering and Re-allocation of Resources**

During the course of the pandemic, Directorates have been supported in the redeployment of employees.

Staff, in the main, have returned to their substantive roles as services have resumed although it is recognised that there may be a requirement for further redeployment in the event of future lockdowns. more detailed information on this and TTP Activities is in section 4.2.

**Employee Relations Activities**

To support Trade Union and employee engagement, regular weekly and subsequently fortnightly meetings continue to be held with Trade Unions to consider and consult on HR and Health & Safety issues and concerns.

In addition, Trade Unions have been engaged in Social Partnership Workshops to develop working relationships with the Council and Focus Group discussions on development of the proposed Workforce Strategy.

**Corporate H&S Training**

The Corporate H&S training team have continued to support the workforce and managers in a range of activities during the pandemic. Those activities are continuing.

**Occupational Health**

During the pandemic the Occupational Health and Stress Management and Counselling services continue to be delivered remotely to support the workforce, in line with national guidance. There have been 493 occupational health referrals made from April to end of September 2021.

Since April 2021 Occupational Health have extended the SMAC Physiological support project, utilising internal and external contract counsellors and helping hands volunteers until April 2022. The external Occupational Health Clinics have also been increased to 3 per week, and 1 OHP clinic per week to reduce waiting times, that will continue until April 2022 and reviewed to determine provision for 2022/23.

- 4.1.6 During the course of 2021 a Staff Survey has been undertaken, employees were asked to comment on the key Strands of the proposed Workforce Strategy and an analysis of the results has been undertaken, focus groups have also been established to encourage staff involvement. Work will continue on the proposed Workforce Strategy for 2022/25 to include further consultations with Trade Unions, Staff and PDC's.
- 4.1.7 All service areas are continuing to undertake significant and challenging activities to support the organisation and residents during the ongoing pandemic. Social Services continues to be the priority focus, however this update re-affirms the flexibility of the workforce, particularly in adapting quickly and positively to new working environments and, in some cases, new roles and skills.
- 4.2 Vaccination Service & Track & Trace implications - For Information
- 4.2.1 In May 2021, Welsh Government tasked all local authorities to create teams that could introduce and carry out the emergency response to the growing pandemic.
- 4.2.2 In June 2021, TTP management agreed to create a stand-alone service to enable fulfilment of Vaccine Certification to support Welsh Governments adoption of this mechanism as an additional barrier to infection spread whilst facilitating essential activities. The service is known as the Welsh Vaccine Certification Service and deals with around 2000 requests per day and increasing.
- 4.2.3 At present, it is unclear what Welsh Government's long term strategy for continuing Contact Tracing or TTP generally is, so plans are based on the existing funding to June 2022, current SOPs and caseload modelling provided to WG by Swansea University, together with local expertise from Council infection control officers.
- 4.2.4 Welsh Government are currently undertaking Task and Finish Group reviews of current procedures across TTP as a whole, to determine future options for delivery of infection control, and outcomes of this work are expected by April 2022.
- 4.2.5 Swansea Council also undertook to create and deliver a service to fulfil vaccine certification in line with WG's Covid Pass strategy. Initially seen as a short term stopgap whilst the NHS Covid Pass app was deployed, the service has continued due to Equalities requirements, and data quality issues relating to the disparate NHS systems involved.

- 4.2.6 The WVCS is separately regulated and funded under a mandate issued direct to Swansea Council by WG, currently running to at least March 2022 but likely to operate well into 2022.
- 4.2.7 Cabinet will be aware of a later request for expansion of the service to accommodate handling of all queries relating to vaccine certification. After evaluating the resources required to deliver the broader service, due to concerns around likely impacts on existing council departments and TTP delivery, WG were advised that Swansea Council was supportive of the idea but unable to deliver the requested product. Support through any necessary transition was offered and accepted by WG.
- 4.2.8 At present, WG is exploring other options for provision of this service, which could result in the service delivered by Swansea at present being absorbed into the new external arrangements. In this event, staff may be redeployed into Contact Tracing roles or where appropriate consideration could be given to TUPE arrangements.
- 4.2.9 The workforce will continue to be funded by WG, and fully utilised in delivering TTP in Swansea until such time as reduced measures are introduced by the First and Health Ministers.
- 4.2.10 At that time, the significant challenge of decommissioning the TTP teams, including exit management and transition back to substantive posts becomes relevant.

#### 4.3 Enabling Agile Working and Resilience: Data Centre Move to Guildhall

- 4.3.1 The Council has been delivering its agile working programme for many years and was in a good position going into the pandemic. However Covid accelerated remote working and hybrid meetings and this is set to continue. The Council's strategy aims to enable 'digital first and remote first' capability but in a way which complements face-to-face and telephone channels for the public. 'Digital First' and 'Remote First' also aims to support staff in their daily work and make their jobs easier. In addition, the Digital Strategy aims for a cloud first approach to improve and increase resilience.
- 4.3.2 The proposals around the data centre aim to deliver the Digital Strategy objectives with the appropriate use of cloud services for resilience and solutions which will continue to support agile and hybrid working in the longer term.
- 4.3.3 The future of the Civic Centre has been under much discussion over the last few years. Digital Services need to plan for the future of the data centre which is currently situated in the Civic Centre and is a fundamental element of delivering all digital service across the Council.
- 4.3.4 The infrastructure in the Civic Centre will become end of life over the next three years. Therefore, decisions need to be taken now to plan for these and to minimise short-term unnecessary cost on a building that has no long-term future, or whose future is unknown.



- 4.3.5 A new data centre would be smaller and more efficient as the move to cloud progresses over the next five to seven years. The Digital Strategy is cloud first however, this will be a hybrid model of cloud and on premise for identified critical services.
- 4.3.6 The Guildhall would provide a stable location and resource where Digital Services can plan future networking and infrastructure requirements for the long term. It is anticipated the relocated data centre can reduce the footprint of the original space by around 60% of its current size. This in turn will reduce the energy costs and the carbon footprint to maintain the controlled environment required to protect the Council's vital ICT systems.
- 4.3.7 The benefits of cloud are well documented and include:
- Cost savings (power consumption, cooling, maintenance etc.)
  - Ease of use
  - Disaster Recovery and Business Continuity
  - Increased Storage Capacity and Automation
  - Agility, Flexibility and Scalability
  - Cyber security
  - Reduce the Council's Carbon Footprint in supporting the Council's commitment to be a net zero carbon organisation by 2030.
- 4.3.8 It is recommended that a new £2m scheme is committed and authorised into the capital programme for the data centre move to the Guildhall. This is in line with the requirements of Financial Procedure Rule 7 (capital programming and appraisals).

#### 4.4 Oracle Programme Investment

- 4.4.1 On 19<sup>th</sup> September 2019, Cabinet approved the Enterprise Resources Planning (ERP) System Upgrade (Oracle Cloud) implementation programme.
- 4.4.2 In March 2020 Covid-19 impacted the programme with staff being pulled on to vital Covid-19 activities and in November 2020 a report to Cabinet approved a pause and re-plan. Additional costs were absorbed within existing budgets at that time. The significant risks were mitigated by Oracle extending the current system and support due to Covid-19.
- 4.4.3 The programme resumed February 2021 as planned. However, not long after restart, the second wave of Covid-19 seriously impacted both the UK and India. Consequently both Swansea Council and the supplier (Infosys) staff resources were affected.
- 4.4.4 Re-planning has been undertaken to realign the programme. Whilst the second wave of Covid-19 has pushed timelines out, there are also other factors influencing the re-plan, including: staff taking delayed leave due to Covid, staff contracting Covid and being absent, delays filling key vacancies in a volatile post Covid recruitment market, support and recruitment as part of the Covid recovery plan / fund, and the timing and complexity of the second data migration pass.

- 4.4.5 The re-planning exercise has been undertaken alongside the service areas and the external supplier. The same limitations have been carried forward with regard to go live dates, i.e. not during year-end and final statement of accounts for Finance teams, or December for payroll teams. After significant consultation, October 2022 is proposed. The overall timeline is attached at **Appendix A**.
- 4.4.6 Despite the impact of Covid-19 on both the Council and supplier resources good work has been delivered on the programme. The Oracle Fusion core system is now close to being built and the programme is entering its testing phase.
- 4.4.7 The Cabinet report in September 2019 identified the main risk to be that the system will not be supported from November 2020 and will not receive regular updates and patches as it does now. Due to Covid-19 Oracle extended the current system and support. This will be extended further to cover the re-planned project. In addition, the Council will move the old database into the cloud, which will mitigate several risks, including moving Discoverer off old hardware. Discoverer is a key piece of software for running critical financial and workforce reports.
- 4.4.8 There are other risks and issues associated with extending the implementation of the programme. While reviewing all options, risks, and issues, mitigations were considered when recommending the best way forward. Key red risks include:
- Support for the current version of Oracle was a risk but this has now been mitigated by extending support
  - The ongoing impact of covid is a risk to the resources of both the Council and its suppliers. This is being mitigated as far as possible by using a range of resources and bolstering capacity. Suppliers have recruited more resources both on-shore and off-shore, learning from the pandemic around the issue of global supply chains and resources.
- 4.4.9 The ongoing impact of Covid on the Oracle project has been added to the corporate risk register and is being actively managed and monitored.
- 4.4.10 Financial implications are identified in the table below. Further investment of £3,620,412 is recommended, funded from the capital equalisation reserve and in line with the requirements of Financial Procedure Rule 5.

<b>Area of Expenditure</b>	<b>Cost (£)</b>
Backfilling staff in services - staff working on the project part time	365,500
Increase in Oracle Fusion licences. New ways of working during and post Covid and new starters has increased the licence requirement	955,312
Specialist Oracle Fusion project management and support including planning data migrations and testing	192,750
Specialist Oracle Fusion technical skills and resources for data migration, cutover, testing and system integrations	625,100

Area of Expenditure	Cost (£)
Specialist Oracle Fusion change management expertise – changing of processes and ways of working within services	281,750
Infosys extension costs	250,000
Oracle technical specialists, e.g. Fusion solutions architect, Fusion payroll experts etc	450,000
Contingency	500,000
<b>TOTAL</b>	<b>3,620,412</b>

## 5. Learning & Education

### 5.1 Developing and maintaining digital interface between schools and local authority – For Information

- 5.1.1 Developing and maintaining robust databases to support attendance, achievement and tracking are key work streams within Education's contribution to Achieving Better Together. The importance of fit for purpose digital interface with schools is vital if we are to emerge successfully from the pandemic.
- 5.1.2 SIMS is the main management information system (MIS) used by schools in Swansea. 94 schools use the system, as well as Flying Start. There are therefore 95 separate SIMS databases with about 2,500 users. SIMS is used to fulfil many statutory and administrative functions for schools, and its continuity is therefore essential.
- 5.1.3 The ParentPay group own SIMS, and annual entitlement is paid by the authority to them. ParentPay are moving to individual contracts with schools for three year terms from April 2022.
- 5.1.4 SIMS is currently hosted on two servers located in the Civic Centre. These machines are around 15 years old and are at end of life. They can no longer be maintained, so any failure is likely to be terminal. As they are out of support from their manufacturer, they no longer have firmware updates, and are therefore an increasing security risk. **SIMS holds sensitive personal data about all pupils and staff in schools, so the increased risks are unacceptable and cannot be mitigated with the current servers.** We therefore need to **urgently** move SIMS hosting from these servers as well as for other essential education applications and systems currently hosted on physical servers.
- 5.1.5 This move would support the wider corporate strategy of moving to cloud storage for enhanced future resilience and overall efficiency considerations as we emerge from the pandemic.
- 5.1.6 There is a significant cost implication to replace the physical servers (which to replace would require a significant one-off / periodic capital cost) with a cloud based alternative. However this is achieved there will be:
- A one-off migration cost of at least £100k
  - Annual cost of up to £600k

- 5.1.7 As well as ensuring the continuing resilience of data systems that are key to tracking learners in Swansea and storage with a cloud solution, it is also essential to develop and implement a medium term strategy. This must ensure that future data systems for schools and wider education needs continue to be 'fit for purpose' and provide the necessary future functionality and future proofing against a context of changing national and local needs and expectations. Emerging issues, as a result of the pandemic require greater emphasis on well-being, including attendance monitoring and tracking progress of learners who may have lost learning or become disengaged during the disruption to education.
- 5.1.8 The options and costs that might be involved require **considerable further detailed assessment** as part of a robust business case and the appropriate expertise and resourcing will be required to determine the most appropriate solution. An alternative provider or indeed an in-house solution could offer a cheaper longer term option with the appropriate and required up-front investment. Developments at a national level would also need to be carefully considered and any such collaborative developments considered against other options.
- 5.2 The local authority also needs an improved finance application for its schools that can allow support for numerous actions including audit, scrutiny, procurement and our general support for school finance. We currently utilise SIMS FMS with the wider Council utilising Oracle and soon to be moving to Oracle Fusion. Once the move to Oracle Fusion has been completed it will be necessary to look at the possibility of utilising the same package across our schools.
- 5.2.1 A significant cost would be involved and this would likely be in the order of £0.5m to £1m to reflect the staffing and other resources that would be required.
- 5.2.2 All the above will bring a requirement for additional resources to develop and deliver the various sustainable solutions. This includes specialist ICT staff (3<sup>rd</sup> party), back-filling current ICT staff and back-filling current Education staff to develop the solution(s).

## **6. Care Services - For Information**

### **6.1 Social Care pressures**

- 6.1.1 In September 2021, the Local Authority was awarded the Social Care Recovery Grant, with an initial allocation for 21/22 of £3,160,041 (*Based on personal social services sector standard spending assessment*)
- 6.1.2 The Grant was awarded to enable the local authority to work with partners and service providers to support the appropriate recovery of social care and recovery spend required to align with the priority areas in the Social Care Recovery Framework [Social care recovery framework: COVID-19 | GOV.WALES](#)
- 6.1.3 The table in **Appendix B** outlines the spend plan to meet identified need for the period 1st October 2021 – 31st March 2022

6.2 **Risks** Our ability to respond to the additional funding and work within the social care recovery framework to enable the sector to recover and plan has brought some challenges and risks around long term planning and future funding to stabilise the sector, retain staffing levels and recruit staff into key roles.

- **Regional Externally Commissioned Care Group** outlined proposals to stabilise the domiciliary care sector by improving the rates of pay to avoid workforce leaving care work for employment in other sectors. Both Swansea and NPT agreed uplifts of 10% across all domiciliary care registered services, including traditional domiciliary care and supported living services. This increase would be paid to providers on the basis that it must be used to increase rates of pay to at least real living wage (RLW) levels for all workers. The cost of the in year uplift for Swansea (1.5 million) has been met with the additional Social Care Recovery Grant.
- **Internal Staffing Recruitment and Retention** - A combination of factors have led to the services being placed under considerable and sustained pressures that risk it being unable to meet its statutory responsibilities and regulatory requirements. There is an increasing likelihood that risk management will be compromised as social workers in the frontline area teams become overwhelmed with the responsibility of having to manage their workload across all levels of need and demand.

Child and Family Services are facing severe recruitment challenges in its frontline area social work teams. The shortage of adults and children's social workers is acknowledged as a UK-wide issue. The vacancy rates in the three area social work teams are currently 30%, with this increasing by the end of the calendar year. Whilst there have always been challenges it is evident that the global pandemic has impacted further on the ability to maintain a stable workforce who are responsible for case managing our most high risk and complex children in the service. The social care recovery grant has been used to mitigate this risk through implementing a market supplements for child and family frontline social work teams, a retention bonus payment and additional support workers. In implementing this in year, we have added a budget pressure into 22/23 (250k) which will have to be addressed as part of the budget setting process.

Adults Services identified the need for additional staffing above the establishment to address capacity issues in the areas of Direct Payments, Homecare, Community Equipment Store & Assistive Technology and Direct Service Provision. To appoint new members of staff has a timescale of 3 to 4 months and with the grant spend plan only being accepted in October presents a huge challenge for recruitment in an already difficult time within the social care workforce. To successfully recruit to these posts and to best accommodate the staff turnover within front line care recruitment is on a temporary basis to 31st March 2023 In implementing this in year, it has added a budget pressure into 22/23 (1 Million) which will have to be addressed as part of the budget setting process.

6.3 As part of the mitigation, there will be regional grants in terms of transformation and embedding new ways of working for new areas of investment, which of course these posts are. However, at this point in time, it is unclear how much funding this will equate to, expectation is to be able to fund the budget pressure in 22/23 through regional grants as they become available.

The mitigation will be the significant reserves on the balance sheet, which would be used as a backstop if expected grants did not become available.

6.4 **Future challenges** - In November 2021, a notification of a variation to the Social Care Recovery Grant was received, which increased Swansea's allocation to **£5,147,378**

This was made following the receipt of proposals for activity to respond to the Social Care Winter Pressures made through the Care Action Committee and to extend the purposes of the Social Care Recovery Grant 2021-22 to provide funding specifically for Unpaid Carers and Children's Services.

- **Unpaid Carers** Many unpaid carers have had reduced support during the Covid-19 pandemic and continue to care for their loved ones despite negative impacts on their financial and emotional wellbeing. If carers are not able to cope and caring arrangements break down, pressure on statutory services increases. Preventing carer breakdown thus reduces future demand on services and helps the people being cared for to stay at home for as long as possible. *The funding is intended to encourage local authorities to employ a range of mechanisms, including through Direct Payments, to support carers to cope, take a break from caring or access practical support, adaptations or equipment that support them in their caring role.*
- **Children Services** - Local Authorities have particularly highlighted the increased pressures in relation to high-end placement costs particularly due to the ever increasing costs associated with Covid-19. Local Authorities have a statutory duty to support and meet needs and there are now high numbers of children with complex needs requiring multi-agency interventions. There is an increase in children being admitted to or waiting for admission to hospital due to mental health, eating disorders etc and their subsequent discharge from hospital without suitable care and support is leading to increased demand and complexity and challenge of care for very distressed, mentally ill young people. Furthermore care packages are needing to be pulled together at short notice, sometimes with nursing provision and are needing multi-agency planning for discharge to support positive outcomes. The funding is intended to manage the demand for placements, secure better placements whilst activity is taking place to increase the range of accommodation and in-patient options that would meet the need at this highest spectrum of need. Whilst managing highly complex cases Children services are also working to maintain stability in the rate of children on the Child Protection Register. 68% of local authorities are now reporting an increase in safeguarding contacts compare to levels expected at this time of year.
- The funding is intended to support the delivery of preventative interventions to ensure the increased safeguarding contacts do not lead to an increase in child protection registration; ensuring children are both safe and well and can remain with their families. The intended outcomes and scope are the same, and we are working through a range of options to allocate the additional £1,987,337 of funding against. This is presenting a challenge due to the lateness of the award in year, however we are confident we will be able to utilise the money for the intended purposes as specified below.

## 7. Environment & Economy

### 7.1 Capital Contingency & Prioritisation

7.2 As part of the reshaping programme one of the tasks was the need to develop a “Cross Council” approach to capital management and prioritisation. A strategic capital strategy has already been developed and now forms part of the suite of reports as part of the budget setting process and was approved by Council on the 4th March 2021.

7.3 Members will be aware that a sum of £20m capital contingency has been set aside as part of the medium term financial plan budget approved by council on the 4th March 2021. This report sets out the addition £5m to be added to the Economic recovery fund to be allocated in line with the original criteria previously approved by cabinet.

7.4 Since then a number of schemes have progressed and been allocated funding from this capital contingency including Castle Square, 71/72 Kingsway digital district, Cefn Hengoed community hub and 3g pitch, and investment in Afryn satellite special school and Bryn Tawe net zero match funding. The total commitment currently standing at £18.839m. However, an application has been made to Welsh Government for a £2.5m towards the Castle Square development which would then result in a total commitment of £16.339m.

This would leave a balance of contingency funding of the £1.161m, (or £3.661m if the WG application for Castle Square is successful) which should be retained until some of the current major projects are complete or significantly progressed. Officers will continue to explore all additional funding sources including levelling up fund, shared prosperity and all available grant opportunities to aid the development of further proposals to aid the councils ambitions and corporate priorities. A more detailed report is attached as **Appendix C**.

7.5 In addition to the capital contingency there is the opportunity to convert some of the Economic Recovery Fund from revenue to capital. As such it is intended to make a further enhancement in the play facilities to bring all existing council managed playgrounds up to the “green standard”.

7.6 As such it is recommended that £1.55M of the new ERF allocation is ring fenced to a new capital allocation. It is also proposed to allocate £0.5M to assess and improve Skate Park facilities across the Council area, therefore it is also recommended that £0.5M of the new ERF allocation is ring fenced to a new capital allocation for these improvements in line with FPR7.

## 8. Summary

8.1 In summary, It was inevitable that projects were going be impacted by the pandemic and issues would occur. Since March 2020, the Council has transformed the way it works to manage the impact of the pandemic. This has been an unprecedented time and the Council’s response to the pandemic, has been extraordinary.

## 9. Integrated Assessment Implications

- 9.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, 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 Acts.
  - 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.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 9.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 9.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 9.2 In order to comply with the relevant regulations, this section must note whether or not there are any implications and how the Intergrated Impact Assessment (IIA) process has been applied to the report's subject. Please refer to <http://staffnet/ia> and the IIA guidance for further information.
- 9.3 An IIA Screening Form is complete with the agreed outcome that a full IIA report was not required:
- The IIA covers the cross directorate Cabinet report highlighting the recovery & Investment recovering from Covid has brought to the Council. Each project will have different impact and implications associated; each project will be highlight their implications.
  - IIA screening **Appendix D**
- 9.4 The IIA process takes into account the United Nation Convention on the Rights of the Child (UNCRC), which the Council has embedded into the Authority's Policy Framework.

## 10. Financial Implications

- 10.1 **This update reports covers a range of significant investment activities across both capital and revenue. Wherever possible grants**



**and reimbursement of costs directly due to Covid will be sought directly from Welsh Government.**

- 10.2 The cost of refurbishing the Guildhall and ensuring it is a fit for the future, secure, and a resilient data centre is estimated to be in the region of £2m. Once the Guildhall refurbishment has been completed and the short-term cloud migration plan agreed the known hardware requirements for the Guildhall will be known and costs may reduce for capital. Using the cloud instead of on-premise servers will incur additional revenue costs. These will be reviewed annually as part of the budget process. It is proposed a capital programme is established to cover these indicative costs and funded from the capital equalisation reserve. This is in line with Financial Procedure Rule 7 and the financial implications are attached at **Appendix E**.
- 10.3 It is proposed the £3,620,412 investment in the Oracle programme is funded from the capital equalisation reserve. It is proposed the draw down for this project would be £1,408,506 in the current year (2021-22), and £2,211,906 next financial year (2022-23).
- 10.4 The Council is in the fortunate position of having established substantial reserves both before and during the ongoing Covid pandemic and much of the investment would be being delivered despite Covid. The bulk of these costs will therefore rightly fall to the Council to fund as it represents local choice.
- 10.5 The capital equalisation reserve is available to draw down from now that the general fund borrowing envelope has been fully externalised.
- 10.6 As a reserve established from revenue balances and nominally earmarked to fund capital financing, it is available to smooth costs whether revenue or capital in nature.
- 10.7 The final balance on the capital equalisation reserve will be confirmed at year-end taking into account underspending in the current year on capital financing and the material commitments being made now. The reserve will remain substantially in surplus for the medium term.

## **11. Legal Implications**

- 11.1 Any procurement activities in relation to the projects in this report will follow the Council's Contract Procedure Rules.

**Background Papers:** None

### **Appendices:**

Appendix A	Oracle Programme Timeline
Appendix B	Social Care Outline Spend Plan
Appendix C	Capital Contingency & Prioritisation Strategy
Appendix D	I/A Screening
Appendix E	Data Centre move to Guildhall Financial Implications