



City and County of Swansea

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

**Multi-Location Meeting - Gloucester Room, Guildhall / MS**

**Teams**

**Tuesday, 6 September 2022 at 10.00 am**

**Present:** Councillor C A Holley (Chair) Presided

**Councillor(s)**

P M Black

**Councillor(s)**

L James

**Councillor(s)**

J W Jones

**Officer(s)**

Ben Smith

Richard Rowlands

Rachel Percival

Brij Madahar

Director of Finance and Section 151 Officer

Corporate Performance Manager

Scrutiny Officer

Scrutiny Manager

**Apologies for Absence**

Councillor(s): P R Hood-Williams, M W Locke and B J Rowlands

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**1 Disclosure of Personal and Prejudicial Interests**

There were no disclosures of Personal and Prejudicial Interests.

**2 Prohibition of Whipped Votes and Declaration of Party Whips**

None

**3 Minutes of Previous Meeting(s)**

Minutes of previous meeting were agreed.

**4 Public Questions**

There were no public questions received.

**5 Role of the Performance Panel**

The Panel viewed and noted the report outlining the role of the Performance Panel.

**6 Overview: Understanding Financial Reporting**

The Panel invited Ben Smith the Director of Finance and Section 151 Officer to give an overview of financial reporting. He made a PowerPoint presentation covering the following issues:

- Role of Scrutiny and the questions Scrutiny would be expected to ask
- Scrutiny Call in presumptions and historic conventions
- Types of reporting including statement of accounts, statutory reports and management information reports
- Reporting schedule including
  - pre-budget, the annual budget
  - annual budget including medium term financial plan, revenue and capital budget, housing fund and council tax setting
  - in year reporting and monitoring schedule including quarters 1, 2 and 3
  - year end reporting including outturn reports and statement of accounts

The following issues were also raised and discussed:

- The Director of Finance informed the Panel that the finance department is extremely stretched at the moment. They are focussing on core business which can have a trade off in other areas, which is reflecting in the lateness of some reporting. The Panel said that the stresses and strains staff are under is concerning and asked what can be done to improve this. The Director said that as people leave for other roles or through sickness it is increasingly difficult to recruit qualified staff into those vacant posts and this is a concern not only for Swansea but other local authorities not only in Wales but across the UK.
- The increasing impacts of the costs of energy both for the Council and Schools was raised. The Panel heard that this has been closely monitored but currently not formally reported through to Cabinet yet but that the situation faced next year is dreadful and will be very significant both across our estate and for schools. The net funding situation is not yet fully known as we, along with other local authorities, are awaiting the outcome of the imminent UK government fiscal announcement that will help to clarify the funding situation for councils. Concern was also raised about the impact of the rise in both energy costs and interest rates on the council's level of borrowing moving forward, this included the impacts on the capital programme.

## **7 Overview: Understanding Performance Monitoring**

The Panel invited Richard Rowlands the Corporate Performance Manager to present an overview of performance monitoring in Swansea Council. He provided the Panel with a PowerPoint presentation that covered:

- The Performance Management framework in Swansea
- Legislative context and how it is governed via Wellbeing of Future Generations Act 2015 and the Local Government and Elections Act 2021
- How it all fits together
- How assurance is provided internally and externally
- Reviewing Performance Monitoring reports

The following issues were raised and discussed:

- The Panel asked if there was still a national system set by Welsh Government with standardised targets and are these used to measure against other local authorities in Wales. The Panel heard the only thing that is consistent presently is the legislative context in which local authorities work, this relates to the wellbeing objectives and the steps we take to deliver them. We have to assess ourselves how well we are doing that. One of the ways we make that judgement is by using our performance monitoring reports. It used to be the case that we had a national performance monitoring framework in Wales, so there were a set of national performance indicators that every council in Wales had to report on and we could compare ourselves with other local authorities but currently there is no national framework. Although there are measures within different service areas, for example, social services do have a national framework, it is now very much on a service-by-service basis. The Data Cymru Unit is currently looking at this issue because under the Local Government and Elections Act 2021 there is guidance directing local authorities to make comparisons with each other. The framework that will be developed will not be a publicly reported but used by local authorities to monitor and use as part of their self-assessment reporting.
- The Panel asked how our reporting will be audited. The Panel heard that in terms of the reports like the annual well-being report and an annual self-assessment, they are not audited as such by Audit Wales like under the previous arrangements. The only requirement under the new legislation is that Audit Wales have to review the arrangements that we have put in place to produce the reports. They have reviewed the arrangements within Swansea and we have been given a satisfactory report, this will be included in a letter which will be sent to the local authority in the near future. Over and above that quarterly monitoring reports go through cabinet and are then discussed at this scrutiny Panel. The annual review of performance meets the two duties that we now have under these two pieces of legislation and this will also come to this Panel as well as being considered by the Governance and Audit Committee.

## **8 Draft Work Programme 2022/2023**

The Quarter 1 Performance Monitoring Report for 2022/23 has been moved from the October meeting to the November meeting since the agenda was published. The Panel agreed the Work Programme for the municipal year 2022-2023.

The meeting ended at 11.05 am

**Chair**