



City and County of Swansea

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

Remotely via MS Teams

Tuesday, 18 January 2022 at 9.30 am

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

P M Black
L James
J W Jones

Councillor(s)

P Downing
M H Jones
D W W Thomas

Councillor(s)

P R Hood-Williams
P K Jones

Other Attendees

Cllr Rob Stewart
Ben Smith
Richard Rowlands
Emily Davies

Cabinet Member - Economy, Finance & Strategy (Leader)
Section 151 Officer & Chief Finance Officer
Strategic Delivery & Performance Manager
Scrutiny Officer

Apologies for Absence

Councillor(s): I E Mann and B J Rowlands

55 Disclosure of Personal and Prejudicial Interests

Ben Smith disclosed a personal interest in Item 6.

56 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.

57 Minutes of Previous Meeting(s)

The Panel considered letters and minutes from previous meetings and agreed the minutes of the meeting on 15 December 2021 as an accurate record of the meeting.

58 Public Questions

There were no public questions

59 Budget Proposals 2022/23 - 2025/26

The Leader and the Chief Finance Officer attended the meeting to present the report and answer questions. It was noted that:

- The Welsh Government budget and settlement announcements are late again this year.

- This is not yet a fully formed budget, further developments and policy announcements are likely to come all the way through to March 2022.
- S1.6 - The three-year outline envelope from the Welsh Government, whilst only a broad indication, is nevertheless very welcome and helpful for medium term budget planning purposes.
- The Panel queried table 1, note 7, regarding the removal / future use of Capital Equalisation Reserve (CER). Officers explained this format sets out a balanced position between years.
- S3.6 - Following the welcome uplift in funding received from the Welsh Government (£33.9m), it is envisaged that all directorates as a whole (excluding Finance) will receive an overall increase in cash budgets for next year of at least 7%.
- S4.3 - even with savings, Directorate budgets will still grow overall by about £80m over 4 years.
- S4.4 - Assumption that future funding from Welsh Government increases by 3.5% in 2023/24, 2.4% in 2024/25 and 2% thereafter.
- Highest inflation rates in over a decade, with inflation likely to go higher still. Uncertainty surrounding Brexit and continued pandemic.
- S4.11 – Capital block grant allocation: £2M shortfall illustrated in Table 4.
- S4.18 - appropriate use of the Capital Equalisation Reserve will be recommended for use in determining the final shape of the overall budget.
- S5 - noted substantial cash increase in school delegated budgets.
- Table 5 – Review of Planned Savings 2022/23 – Members noted this should read as thousands rather than millions.
- Table 6 indicates modest Workforce savings proposals.
- Panel Members raised queries over potential Council tax increases. Officers explained that the Council Tax yield is currently 1-2%, that no decisions yet taken, merely a function of sum needed to balance first cut of budget.
- Assumed Council Tax spending up 3.5% on average (Welsh Government CTSS figure)
- S7 – Consultation process
- Table 9 – modest proposals in terms of staffing savings. One post (Chief Officer) is still at formal risk of redundancy as a result of Council decision taken in November 2021.
- Certainty of future years settlements useful.
- Significant underspend achieved in last 2 years and likely again this year.
- The Leader highlighted positive outturn at end of 2021.
- Members queried the position of the Fire Authority in relation to the Estimated Fire Authority Levy increase of 3 - 3.5%.
- S6.2 – Panel Members queried pay and grading reviews, and costs of staff reduction. Officers explained that there is a backlog of grading appeals, yet to come through, but compared to the Budget are very modest in scale. It was noted that hardly any posts are at risk of redundancy as a result of budget.
- The Leader explained that the UK Government/Treasury has included Covid monies in the Welsh Government settlement.

- Panel Members queried the Capital Equalisation Reserve (referring to S4.17 and S4.18). Officers explained that the CER is being used to bridge some pressures and smooth some timing differences over several years.
- Panel Members queried likely calculations relating to note 18 (*following the introduction of the new Social Care Levy, currently reflected as an increase to National Insurance rates*). Officers explained it will be a few years before figures can be certain both as to sums raised by HM Treasury by the new tax and sums received and spent ultimately by Councils.

60 Q2 Performance Monitoring Report 2021/22

The Strategic Delivery & Performance Manager presented an overview of the report to Panel Members. It was noted that:

- 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.
- Performance is judged using the results measured by Corporate Plan performance indicators and is usually compared to agreed targets. Targets for 2021/22 have not been set due to the ongoing impact from COVID-19 and the associated lockdowns.
- The Q2 2021/22 outturn shows that 15 out of 26 (58%) comparable Corporate Plan performance indicators showed improvement or stayed the same compared to Q2 2020/21.
- Officers highlighted that the new social services performance framework had contributed to new indicators, and as such no comparable data to report. Baselines are therefore not available until next year.
- The report reflected the national shortage in workforce capacity in social services, particularly in childcare work and adult domiciliary care.
- In relation to the Safeguarding indicators, although there has been an increase in the number of children supported, there has been a reduction in the number of Child Protection Cases and Looked After Children.
- The Panel commented on the challenges faced, in particular, by the Social Services department, implementing the new WCCIS (Welsh Community Care Information System).
- Officers highlighted performance data relating to planning applications, explaining that this year has seen a significant increase in the number of planning applications received which, combined with staff vacancies, has meant an inevitable but relatively small drop in performance compared to Q2 last year.
- The Panel acknowledged that full performance data is not yet available due to continued impact of the pandemic, and would revisit this report in more detail next year.

61 Work Programme

The Panel noted the Work Plan.

62 Letters

The meeting ended at 10.35 am