



City and County of Swansea

Notice of Meeting

You are invited to attend a Meeting of the

Scrutiny Performance Panel - Service Improvement, Regeneration and Finance

At: Multi-Location Meeting - Lilian Hopkin Room, Guildhall / MS Teams

On: Tuesday, 11 March 2025

Time: 10.00 am

Convenor: Councillor Chris Holley OBE

Membership:

Councillors: P M Black, C M J Evans, P R Hood-Williams, L James, D H Jenkins, M H Jones, M Jones, S M Jones, J W Jones, M W Locke, W G Thomas, M S Tribe and T M White

Agenda

Page No.

1 Apologies for Absence

2 Disclosure of Personal and Prejudicial Interests

www.swansea.gov.uk/disclosuresofinterests

3 Prohibition of Whipped Votes and Declaration of Party Whips

4 Minutes

To receive the minutes of the previous meeting(s) and agree as an accurate record.

1 - 3

5 Public Questions

Questions can be submitted in writing to Scrutiny scrutiny@swansea.gov.uk up until noon on the working day prior to the meeting. Written questions take precedence. Public may attend and ask questions in person if time allows. Questions must relate to items on the open part of the agenda and will be dealt with in a 10 minute period.

6 Achievements against Corporate Priorities / Objectives / Policy Commitments for Development and Regeneration

Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism

Phil Holmes – Head of Planning and City Regeneration

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| 7 | Work Plan | 17 - 18 |
| 8 | Letters | 19 - 33 |
| 9 | Exclusion of the Public | 34 - 37 |
| 10 | Update on City Centre Development Project Costs
Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration,
Events & Tourism
Lee Richards – Development and Physical Regeneration Strategic
Manager | |

Next Meeting: Tuesday, 8 April 2025 at 10.00 am

Huw Evans

Huw Evans
Head of Democratic Services
Tuesday, 4 March 2025

Contact: Scrutiny Officer - 01792 636292

Agenda Item 4



City and County of Swansea

Minutes of the **Scrutiny Performance Panel - Service Improvement, Regeneration and Finance**

Multi-Location Meeting - Council Chamber, Guildhall / MS

Teams

Tuesday, 18 February 2025 at 2.00 pm

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

P M Black
D H Jenkins
J W Jones

Councillor(s)

P R Hood-Williams
M H Jones
M W Locke

Councillor(s)

L James
S M Jones
T M White

Cabinet Member(s)

Cllr Rob Stewart

Cabinet Member for Economy, Finance and Strategy
(Leader)

Officer(s)

Ben Smith
Rachel Percival

Director of Finance / S.151 Officer
Scrutiny Officer

Apologies for Absence

Councillor(s): C M J Evans, M Jones and M S Tribe

63 Disclosure of Personal and Prejudicial Interests

There were no disclosures of Personal or Prejudicial Interest.

64 Prohibition of Whipped Votes and Declaration of Party Whips

None.

65 Minutes

Minutes of the previous meeting were agreed.

66 Public Questions

There were no public questions received.

67 Pre-Decision Scrutiny of Cabinet Reports: Annual Budget

Cllr Stewart and Ben Smith attended. The following points were discussed.

Revenue and Capital Budget Monitoring 3rd Quarter 2024/25

- There have been no material changes from 2nd Quarter however concerns remain regarding service overspends in Social Services and Place.
- This year capital financing will again result in a significant underspend.
- The subsequent outturn report due later in the year will report an overall underspend but service overspends will persist.

Medium Term Financial Planning 2026/27-2028/29 (MTFP)

- The MTFP is an overarching strategy which makes several assumptions and provides a broad outline for this three year period.
- Medium term service and financial planning continues to be difficult given the increasing service pressures, cost of living and uncertain inflation levels.
- The UK June 2025 Comprehensive Spending Review is awaited for a UK wide public spending reset/refresh.
- There is intention to draw down on the capital financing underspend temporarily and then add this back in subsequent years.

Revenue Budget 2025/26

- It was noted that the Welsh Government is expected to release the final Local Government Finance Settlement on the afternoon of 20 February, which may result in unavoidable changes to the budget.
- Overall, services are receiving a £50m net increase compared to the previous year. This includes all key services receiving an above inflation rise.
- Compensation for the increase in employers national insurance contributions remains unknown. The officer was satisfied that sufficient provisions and contingencies have been included, barring additional cost pressures. This increase will also put pressure on external providers, particularly affecting social services.
- There will be a limited draw from the Capital Equalisation Reserve this year to support the revenue budget.

Capital Budget and Programme 2024/25-2029/30

- The total general capital budgeted expenditure totals £544m. This includes some pending items in the schools programme that are not yet fully approved or funded.
- There remains plans to defer borrowing an additional £75m for the capital programme until interest rates lower.
- There is commercial sensitivity around several items. Regarding the £8m allocated to the Skyline scheme over the next two years, it was confirmed that based on the current business plan, there are no plans to subsidise the scheme over its lifetime.

Housing Revenue Account (HRA) – Revenue Budget 2025/26

- As a result of Welsh Government legislation, housing rents are capped however inflationary and service pressures and operational risks put increased pressure on the HRA.
- The HRA reserves have been increased by £5.3m based on S151 Officer advice.

Housing Revenue Account Capital Budget and Programme 2024/25-2028/29

- The Panel requested further information on why the general environmental scheme is being reduced from £700,000 to £70,000 in 2025/26.

68 Work Plan

69 Letters

The meeting ended at 2.40 pm

Chair

Agenda Item 6

**Report of the Cabinet Member for Investment, Regeneration, Events & Tourism
Service Improvement, Regeneration and Finance Scrutiny Performance Panel –
11 March 2025**

Achievement against Corporate Priorities / Objectives / Policy Commitments for Development and Regeneration

Purpose	To brief the Panel on the Achievements against Corporate Priorities / Objectives / Policy Commitments for Development and Regeneration.
Content	The report sets out a summary of the achievements over the last year.
Councillors are being asked to	Consider the information provided and give views on the progress made to date.
Lead Councillor	Councillor Robert Francis-Davies, Cabinet Member for Investment, Regeneration, Events & Tourism
Lead Officer	Phil Holmes, Head of Planning and City Regeneration
Report Author	Phil Holmes E-mail: phillip.holmes@swansea.gov.uk
Legal Officer	Deb Smith
Finance Officer	Ben Smith

1. Background

- 1.1 Development and Regeneration activities are led by teams within the Planning and City Regeneration department, the achievements contribute to transforming Swansea's economy and infrastructure.
- 1.2 Transforming Swansea Economy and Infrastructure is one of six priorities in the Council's Corporate Plan and a Stronger Economy is a key policy commitment for the Council.
- 1.3 This report highlights activities and achievements of the Development and Regeneration work during the last year against the Corporate Priorities and Policy Commitments.

2. Briefing/Main Body of Report

2.1 Development & Regeneration work areas and achievements are as follows:-

Work Area	Achievement	Link to
<p>Lead implementation of South West Wales Regional Economic Delivery Plan in Swansea and associated work packages.</p>	<p>Delivery of the Regional Economic Delivery Plan continues through the programmes and projects outlined below.</p> <p>During 2024 work has also been undertaken with stakeholders for a new vision for the future of Swansea city centre – with overall themes and a number of key initiatives. This strategic document will replace the previously adopted Swansea Central Area Regeneration Framework and will be known as the City Centre Placemaking Plan. The final documents will be published during 2025.</p>	<p>Corporate Plan</p>
<p>Lead implementation of UK funding streams including Shared Prosperity Fund (SPF) and Levelling up.</p>	<p>Swansea is the lead authority for the UK Shared Prosperity Fund for South West Wales.</p> <p>The programme is operating at full capacity and expects to spend the full allocation by the conclusion of the funding in March 2025.</p> <p>£20m was also secured from the UK Government as part of its levelling-up programme for a Lower Swansea Valley project.</p> <p>This extensive project seeks to develop a modern, attractive and vibrant riverside urban area, creating a place where people wish to live, work and visit, capitalising upon and celebrating the Tawe's unique contribution to the Industrial Revolution.</p>	<p>Corporate Plan</p>

Work Area	Achievement	Link to
Lead implementation of Welsh Government funding sources.	Swansea Council is the regional lead for WG Transforming Towns regeneration funding.	Corporate Plan
Continuing support to business (both start up and existing) through the Business Swansea provision.	Our Business Swansea business grants and business support programme, funded through UK Shared Prosperity Fund, is continuing to support local businesses to start up and grow, and by the end of March 2025 it is anticipated that we will have supported the creation of 85 new businesses, created 87 new jobs and safeguarded 160 jobs in Swansea.	Corporate Plan
Help create thousands of new jobs for the people of Swansea, aiming to provide high quality and secure employment.	Start up and business development/improvement grants being delivered which support creation and retention of jobs. A range of other support measures have been put in place including business growth grants, all supported with UK Shared Prosperity Funding. Inward Investment promotion and support is in place to attract new companies to the area.	Corporate Plan Policy Commitment
Secure a major new tenant for the Debenhams unit in the Quadrant Shopping Centre, securing the use of this unit for the future.	Discussions are ongoing with potential new retail and leisure tenants for the Debenhams building. A professional team has been appointed and they are working up proposals to reconfigure the building to offer more suitable space to meet potential tenants needs.	Corporate Plan Policy Commitment
Working with our regional partners, progress a £1 billion regeneration and £750 million strategic partnership with Urban Splash as our new strategic partner, with an initial focus on Copr Bay Phase 2, the Civic Centre	The Council's regeneration partner Urban Splash is progressing proposals for repurposing the civic centre and waterfront area. Stage 1 proposals have been received from Urban Splash to deliver circa 160 new homes to	Corporate Plan Policy Commitment

Work Area	Achievement	Link to
<p>site and St Thomas site.</p>	<p>bring the disused St Thomas station site back into use. The proposal is currently being worked through with the Urban Splash design team to enable a planning consent late 2025.</p> <p>Planning has been secured for the Public Sector Hub at the former St David's shopping centre site with construction work anticipated to start during 2025.</p> <p>This new flexible office building will include commercial floorspace for shops and restaurants with the Council occupying office space on the floors above along with other public sector partners. The public sector hub will enable the redevelopment of the current Civic Centre site, with proposals for that currently being worked up by the Council's regeneration partners Urban Splash.</p>	
<p>Progress the Palace Theatre and Albert Hall developments to secure our historic buildings for future generations and seek an innovative solution to secure the future of the Elysium building.</p>	<p>This historic Palace theatre building reopened on 7 November 2024 following an extensive restoration project led by the Council. While the council retains control of the building it is being operated by Tramshed Tech - its seventh venue in Wales - and offers flexible work space, business growth programmes as well as skills and training for the creative, digital and technology sectors.</p> <p>Swansea's historic Albert Hall was officially reopened on Friday 27 September 2025. Led by Welsh firm LoftCo, the development includes a food court, shared workspaces, meeting rooms, accommodation and a children's play area.</p>	<p>Corporate Plan</p>

Work Area	Achievement	Link to
	Discussions regarding the Elysium building are ongoing.	
Work with partners to develop commercial meanwhile uses.	UK Shared Prosperity Funding secured and contract awarded for developing meanwhile spaces in City Centre and districts. 11 vacant spaces have been brought into meanwhile use as a result of this scheme.	Corporate Plan
Develop and promote more city living, including new hotels, retail, office space and food and beverage facilities.	Design of mixed use schemes in partnership with Urban Splash underway. Regeneration work continues to utilise all funding levers in particular WG Transforming Towns grant and loan support to bring about mixed used regeneration projects.	Corporate Plan Policy Commitment
Progress work on the new Castle Square Gardens project.	Castle Square is being revamped as part of a project that will include a substantial increase in greenery as well as the introduction of permanent food and drink units and a playful water feature. The square will be retained and improved as a focal point for public gatherings.	Corporate Plan Policy Commitment
Progress work on the new city centre Community Hub project providing a new home to the Central Library.	The new multi-purpose community hub in the heart of the city centre is due to be completed in 2025. The development will include the city centre's main library and archive service, alongside a dedicated children and young people's library space, a community creative hub and seminar space as well as the Council's Contact Centre. Citizens Advice Bureau Swansea Neath Port Talbot, Careers Wales Swansea and Swansea University Miners' Library have also been announced as scheme tenants.	Corporate Plan
Complete the phased demolition of Ty Dewi Sant and the old multi-storey car park.	Work on the Copr Bay north car park continues and is due for completion in 2025.	Corporate Plan Policy Commitment

Work Area	Achievement	Link to
	The St David's multi-storey car park will remain open until the new car park is operational.	
Progress the build of 71-72 The Kingsway, to create an innovation hub which will be home to new businesses and up to six hundred new jobs.	<p>Building is complete and over 75% of the office space is under offer, with terms progressing for the ground floor commercial space.</p> <p>This building was part-funded by the Swansea Bay City Deal and provides space for 600 jobs in the tech, digital and creative industry sectors. It will be worth £32.6m a year to Swansea's economy.</p>	Corporate Plan Policy Commitment
Continue to progress development and investment through the Skyline park attraction on Kilvey Hill.	<p>Skyline Enterprises submitted a planning application for this major new leisure destination at Kilvey Hill in 2024. The planning application remains live. Further timelines are yet to be agreed.</p> <p>Skyline's proposals include plans for a gondola (cable car) route, a gravity-fuelled luge ride, a zipline, a sky swing, new walking and mountain bike trails, and food and drink outlets.</p> <p>The company says the scheme would create 100 permanent jobs in the first year of operation and bring an £84m boost to the local economy if given the go-ahead.</p>	Corporate Plan Policy Commitment
Progress hotels discussions for the city.	A new 150 bedroom hotel next to Swansea Arena that would cater for around 40,000 people a year is moving forward. This will help meet increasing demand for bed space. There are ongoing discussions with a preferred hotel developer. Construction is expected to start towards the end of 2025.	Corporate Plan Policy Commitment
Working in partnership with Penderyn Distillery, support the opening of a new whiskey distillery	Penderyn Distillery and visitor centre opened in 2023.	Corporate Plan Policy Commitment

Work Area	Achievement	Link to
attraction at Landore.		
Progress the development and reopening of the River Tawe corridor, including new pontoons.	Due to be completed in 2026, the Lower Swansea Valley project is focussing on restoration of the remaining listed buildings at Hafod Morfa Copperworks and other linked schemes in the Tawe Riverside corridor such as installation of a pontoon which has been completed on the river's western bank, around 1.5 miles upstream from the Tawe Barrage and next to the former Hafod Morfa Copperworks site.	Corporate Plan Policy Commitment
Progress discussions for the new interactive aquarium, aiming to offer an immersive experience for visitors and a wider educational resource.	Initial Design works underway and discussions taking place with aquarium company/operator via Urban Splash.	Corporate Plan Policy Commitment
Commit to investment in our towns and villages.	Utilising funding support via WG Transforming Towns, Economic Recovery fund, UK Shared Prosperity and UK Levelling Up Fund to deliver County-wide interventions. Placemaking plans are being developed for all district centres to inform this.	Corporate Plan Policy Commitment
Progress the replacement Swansea Local Development Plan to provide an up-to-date planning and place making framework for guiding decisions on development proposals.	<p>The Council and Welsh Government approved a Delivery Agreement (DA) in July 2023 which set out how the Authority will produce the new Swansea LDP 2023-2038 - known as LDP2. Since then the following key stages of work on LDP2 have been undertaken:</p> <ul style="list-style-type: none"> - A 'Call for Candidate Sites' process was undertaken from August to October 2023, which provided an opportunity for any land owner, site promoter or other interested party to submit a site for potential inclusion in LDP2. A 	Corporate Plan

Work Area	Achievement	Link to
	<p>Candidate Sites Register has been produced detailing all sites submitted and was published in January 2025. This Register includes the results of the initial assessment (a so-called Stage 1 sift) undertaken during 2024 which determined whether sites should reasonably progress to a more full and detailed process of site appraisal (so called Stage 2 and 3 Assessments). This work identified whether, on the basis of the agreed methodology and national planning policy, sites are fundamentally not appropriate to form any part of LDP2.</p> <ul style="list-style-type: none"> - A 'Pre-Deposit Plan' has been prepared following significant periods on public consultation and stakeholder engagement on the foundations of the strategy for the new Plan, including on Key Issues, Strategic Objectives and Growth Scenarios. This engagement process involved collaborative work with officials in the Welsh Government, Natural Resources Wales and utility providers. The Council's Elected Members have inputted as part of seeking to build a broad consensus around LDP2 from the outset, most notably through the LDP2 Member Engagement Group (MEG). The main purpose 	

Work Area	Achievement	Link to
	<p>of the Pre-Deposit Plan is to set the strategic direction and overarching principles from which the detailed plan - known as the 'Deposit' - will be formulated. The LDP2 Pre-Deposit Plan was approved by Council in January 2025.</p> <ul style="list-style-type: none"> - To support and underpin the Pre-Deposit Plan the Authority has undertaken work to produce an extensive evidence base during 2024, which will continue throughout the ongoing LDP2 process. This includes comprehensive assessments of: Future Economic and Housing Growth; Green Infrastructure Assets, Financial Viability; Local Housing Markets and Affordable Housing Needs; Flood Risks; and many other technical areas. - A statutory public consultation on the LDP Pre-Deposit Plan and supporting documentation, including the Integrated Sustainability Appraisal (ISA), Habitats Regulations Assessment and Candidate Site Register (including Stage 1 Assessment) documents will be carried out during February and March 2025 - Representations received during the above consultation, including any new candidate sites submitted, will be 	

Work Area	Achievement	Link to
	<p>considered alongside the on-going accumulated evidence base as part of preparing the LDP2 Deposit Plan, which itself will be subject to a public consultation. Subject to Council approval LDP2 and all relevant accompanying documents will be submitted to the Welsh Government for an independent Examination in Public to be held. The aim is for the new plan to be adopted by the end of 2027 at which time it will become the new development plan for determining planning applications.</p>	
<p>Agree a new Swansea Bay Strategy.</p>	<p>Work is currently underway to renew the strategy and is being led by Cultural Services.</p>	<p>Corporate Plan</p>
<p>Progress TAN15 discussions with Welsh Government to find a solution that supports appropriate development.</p>	<p>Awaiting publication of revised TAN by Welsh Government.</p>	<p>Corporate Plan Policy Commitment</p>
<p>Delivering Social Benefits through development projects- maximise the benefits through the creation of employment and training opportunities for the long-term unemployed and economically inactive via community benefit clauses in contracts</p>	<p>2,485 Targeted Recruitment and Training weeks have been achieved to date for the financial year 24/25. These weeks have been made up by 106 individuals who have worked on council development/regeneration projects; through jobs, apprenticeship, work experience, interns and summer placements.</p>	<p>Corporate Plan</p>
<p>Employability support</p>	<p>Building on previous employability supports schemes, a range of measures are in place and funded through the UK SPF to support people into employment.</p>	<p>Corporate Plan</p>

Work Area	Achievement	Link to
	The project creates employment pathways through the delivery of engagement activity, employability support, skills and training, volunteering and paid placements opportunities.	
Development of a Local Economic Delivery Plan (LEDP) to support delivery of the Regional Economic Delivery Plan and local economic development work.	The LEDP was approved by Cabinet in December 2024.	Corporate Plan
Partnership working/Regeneration Swansea	Strong partnership arrangements in place with monthly meetings of Regeneration Swansea. The partnership consists of key representatives from private, public, education and 3 rd sector.	Corporate Plan
City centre management to support the day-time and evening economy.	Plans to upgrade Swansea Market's external entrances are advancing following the opening of public toilets and The Market Garden communal area. An events programme is in place for both the Market and City Centre including seasonal events such as the annual Xmas Market and lights programme. Ranger services operate to support visitors and businesses including the execution of the Public Space Protection Order to help tackle ASB. This is alongside scooter hire, Changing Places and left luggage services operating from Swansea Mobility Hire. Purple Flag status continues to be maintained annually for over 10 years to support the evening and nighttime economy since 2014. The Market has recently won the National Association of British Market Authorities' 'Britain's best large indoor market' ward for the 3 rd time. This follows being the 2022 winner of the APSE Best Commercialisation and	Corporate Plan

Work Area	Achievement	Link to
	Entrepreneurship Initiative.	
Support for communities to fund small scale community projects through Crowdfund Swansea	Additional funding secured through SPF for the Crowdfund Swansea platform to continue in 2024, where local project creators were able to raise funds for their proposed community projects. Eight projects reached their funding goal funding during 2024.	Corporate Plan

3. Conclusions/Key Points Summary

- 3.1 A robust strategic framework is in place to guide development and regeneration activities and good progress continues to be made against all areas of work. Visible progress can be seen around the city such as heritage buildings being brought back into new use - Tramshed Tech and the Albert Hall. 71/72 The Kingsway is opening this year with more schemes due to come to fruition in the near future.
- Strong partnership working arrangements are in place with Regeneration stakeholders and this helps ensure benefits from regeneration schemes are maximised, including the use of social benefit clauses in procuring contractors.

4. Legal implications

- 4.1 There are no legal implications arising from this report.

5. Finance Implications

- 5.1 There are no direct additional financial implications arising from this report on Council core budgets.

Core revenue economic regeneration activity is funded from existing core budgets, supplemented by temporary use of the Shared Prosperity Fund and by way of leveraged access to a range of government grants and support mechanisms.

Capital projects are subject to individual consideration on a case by case basis, often again leveraging substantial government grant and other investment partners and within an overall assumed affordability envelope for council contributions which is determined as part of medium term financial planning and annual budget consideration by Council.

6. Integrated Assessment Implications

- 6.1 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.

6.1.1 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'.

6.1.2 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.

6.2 As this is an information report to Scrutiny an IIA is not required.

Glossary of terms:

LEDP Local Economic Delivery Plan

REDP Regional Economic Delivery Plan

SPF Shared Prosperity Fund

Background papers:

Swansea Council Corporate Plan 2023-2028
[Corporate plan - Swansea](#)

Policy Commitments

Appendices: None

Agenda Item 7

Service Improvement, Regeneration and Finance Work Plan 2024/25

<p>Meeting 1 Tuesday 10am 11 Jun 2024</p>	<ul style="list-style-type: none"> • Audit Wales Report: Sustainable development? – making best use of brownfield land and empty buildings (national) Cllr David Hopkins - Cabinet Member for Corporate Services & Performance Tom Evans – Placemaking and Strategic Planning Manager • Audit Wales Report: Use of Performance Information: service user perspectives and outcomes (local) Cllr David Hopkins - Cabinet Member for Corporate Services & Performance • Richard Rowlands – Strategic Delivery & Performance Manager • Draft Work Plan 2024/25 and Role of the Panel
<p>Meeting 2 Tuesday 10am 6 Aug 2024</p>	<ul style="list-style-type: none"> • Revenue Financial Outturn 23-24, Revenue Outturn 23-24 (Housing Revenue Account) and Capital Outturn and Financing 23/24 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • City Centre Retail Update Cllr Rob Stewart – Cabinet Member for Economy, Finance & Strategy Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Paul Relf – Strategic Economic Regeneration Manager
<p>Meeting 3 Tuesday 10am 10 Sept 2024</p>	<ul style="list-style-type: none"> • Q4 and End of Year 2023/24 Performance Monitoring Report Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager • Audit Wales Report – Springing Forward – Assets (local) Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Cllr Andrea Lewis – Cabinet Member for Service Transformation Nigel Williams- Head of Building Services
<p>Meeting 4 Tuesday 10am 8 Oct 2024</p>	<ul style="list-style-type: none"> • Q1 Revenue and Capital Budget Monitoring Report – 2024/25 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Regeneration Project(s) 71-72 The Kingsway Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Lee Richards – Development and Physical Regeneration Strategic Manager Catrin Kim – Principal Physical Regeneration Manager • Q1 Performance Monitoring Report 2024/25 Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager • Annual Review of Performance 2023/24 Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager
<p>Meeting 5 Tuesday 10am 5 Nov 2024</p>	<ul style="list-style-type: none"> • Review of Revenue Reserves Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Regeneration Project(s) Summary report Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Phil Holmes – Head of Planning and City Regeneration Paul Relf – Strategic Economic Regeneration Manager Lee Richards – Development and Physical Regeneration Strategic Manager
<p>Meeting 6 Tuesday 10am 10 Dec 2024</p>	<ul style="list-style-type: none"> • Mid Term Budget Statement 2024/25 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Recycling and Landfill - Annual Performance Monitoring Report

	<p>Cllr Cyril Anderson– Cabinet Member Community Services Matthew Perkins – Group Leader, Waste</p> <ul style="list-style-type: none"> • Welsh Public Library Standards Annual Performance Report Cllr Elliott King – Cabinet Member for Culture, Human Rights and Equalities Karen Gibbins – Library Services Manager Karen Davies – Principal Librarian
<p>Meeting 7 Tuesday 10am 14 Jan 2025</p>	<ul style="list-style-type: none"> • Budget Proposals 2025/26 – 2028/29 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Q2 Revenue and Capital Budget Monitoring Report 2024/25 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer • Q2 Performance Monitoring Report 2024/25 Cllr David Hopkins – Cabinet Member for Corporate Services & Performance Richard Rowlands – Strategic Delivery & Performance Manager
<p>Meeting 8 Tuesday 2pm 18 Feb 2025</p>	<ul style="list-style-type: none"> • Pre-Decision Scrutiny of Cabinet Reports: Annual Budget incl Q3 Revenue and Capital Budget Monitoring Report 2024/25 Cllr Rob Stewart - Cabinet Member for Economy, Finance and Strategy Ben Smith – Director of Finance / S.151 Officer
<p>Meeting 9 Tuesday 10am 11 Mar 2025</p>	<ul style="list-style-type: none"> • Achievements against Corporate Priorities / Objectives / Policy Commitments for Development and Regeneration Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Phil Holmes – Head of Planning and City Regeneration • Update on City Centre Development Project Costs Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Phil Holmes – Head of Planning and City Regeneration
<p>Meeting 10 Tuesday 10am 8 Apr 2025</p>	<ul style="list-style-type: none"> • Q3 Performance Monitoring Report 2024/25 Cllr David Hopkins - Cabinet Member for Corporate Services & Performance Lee Wenham – Head of Communications, Corporate Planning and Performance • Campuses Project Swansea University • Bailing Plant Report Cllr Cyril Anderson– Cabinet Member Community Services Matthew Perkins – Group Leader, Waste
<p>Meeting 11 Tuesday 10am 6 May 2025</p>	<ul style="list-style-type: none"> • Planning Annual Performance Report Cllr David Hopkins – Cabinet Member for Cabinet Member for Corporate Services & Performance Phil Holmes – Head of Planning and City Regeneration Ian Davies - Development Manager Tom Evans – Place making and Strategic Planning Manager • Freedom Leisure Cllr Robert Francis-Davies – Cabinet Member for Investment, Regeneration, Events & Tourism Richard Dando - Strategic Manager - Leisure, Partnerships, Health & Well Being Gwyn Owen – Area Manager • Annual Review of Wellbeing Objectives Cllr David Hopkins - Cabinet Member for Corporate Services and Performance Lee Wenham – Head of Communications, Corporate Planning and Performance

Building Control Annual Report – TBC

Swansea Central Area Placemaking Plan - TBC

Agenda Item 8



To:
Councillor Rob Stewart,
Cabinet Member for Economy,
Finance and Strategy

Please ask for:
Gofynnwch
am:

Scrutiny

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BY EMAIL

Date
Dyddiad:

30 January 2025

Summary: This is a letter from the Service Improvement, Regeneration and Finance Scrutiny Performance Panel to the Cabinet Member for Economy, Finance and Strategy concerning the meeting held on 14 January and the Budget Proposals 2025/26 – 2028/29 and the Quarter 2 Revenue and Capital Budget Monitoring Report 2024/25. A response is requested by 20 February.

Dear Councillor Stewart,

On the 14 January, the Service Improvement, Regeneration and Finance Scrutiny Performance Panel met to discuss the Budget Proposals 2025/26 – 2028/29 and the Quarter 2 Revenue and Capital Budget Monitoring Report 2024/25. The Panel are grateful to you and Ben Smith for attending to discuss and answer questions.

Budget Proposals 2025/26 – 2028/29

You summarised that the position for next year is significantly improved over and above planning assumptions whilst still carrying some significant risks. You clarified the position for schools and noted the use of the £7m IT reserve to schools last year, in addition to one off support for energy costs of £4.5m, so whilst there is a £22m boost to schools, the actual increase is closer to £11m in cash to cash terms. The £7m IT reserve can be seen in the report as a removal of schools temporary funding. There are some outstanding grants still to receive and as they have primarily been flat, will not take into account inflation pressures.

The draft budget proposals include savings of just under £14m and a net investment of around £50m into services. You highlighted the current pressures in social services, housing and homelessness. The officer stressed this was a provisional settlement and that National Insurance is outside of the settlement at this stage. He highlighted that the borrowing strategy remained the same, which is to take advantage of fixed low cost borrowing and higher variable short term rates on cash deposits and to defer borrowing for the foreseeable medium term.

OVERVIEW & SCRUTINY / TROSOLWG A CHRAFFU

SWANSEA COUNCIL / CYNGOR ABERTAW

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We asked if there is enough to cover the demand on social services given the current pressures and heard that the £6m for Social Care and £2m for Place was acceptable in the current year. It was reflected that whilst this is a big settlement it does not provide for additional money to address structural issues. Central sums will provide some mitigation however there will be concerns about the reasonableness and credibility of the future budget if there is not a significant rebalancing of the overspend position in the current year. We asked if extra money was to be made available to social services, would there be capacity to meet the demand. The officer advised that this would be a matter for the relevant director to advise on, however there would be wider concerns about providers and fragility in private, third and voluntary sector social care provision. You added that recovery plans are in place and in previous years these have been successful in mitigating risks entirely. You felt there wouldn't be a capacity issue.

We asked for more detail on the interest gained on capital financing. The officer informed us that this year and the previous year have seen a surplus under spend on capital financing driven by elevated rates, however this is temporary. All underspends to date on capital financing have been added to the Capital Equalisation Reserve which has been used to avoid external borrowing and to provide significant short term resource cover for individual capital schemes.

We asked how Council Tax exemptions affect Community Council precepts and if Swansea Council subsidises this. We heard that the Council do not subsidise Community Council precepts and that Community Councils may set any precept they see fit. If there are exemptions, other discounts or allowances, then residents in each relevant area are effectively subsidising this.

We asked for an explanation of the Council Tax increase figure given as £9.872m as this figure increases significantly in subsequent years. We heard that the figures are cumulative. Swansea Council do not typically reveal an exact increase in Council Tax at this time, however the officer noted that it is routinely predicated on a range of 3% to 7%. You also added that you have previously stated it will not be near 10%.

We asked for more information on the insurance fund and heard that an independent actuarial review has been commissioned and independent actuarial advice received. The officer has formed a view that a draw from insurance reserves is possible and potentially two sums of £3m could be drawn from reserves and potentially used to fund additional capital however the final decision has not been made.

We asked for more details on several of the saving proposals.

- Place, Building and Waste Services - Wholesale reconfiguration of waste collection arrangements to maximise incentive for residents to recycle based on achieving a long-term target total of 20% reduction in residual waste - £400k

You stated that this is regarding the move to use reusable containers including the aim to remove over 10 million pieces of single use plastic. You highlighted that whilst there is a list of savings, there is a larger investment of £500k of technical adjustment for waste so these savings should not be seen as a direct reduction in budget.

- Additional income from Parking Enforcement car – £100k

You stated that this related to the purchase of an additional vehicle.

- Increase fees for burials and Cremations over the next 2 years by 5% annually - £44k

You informed us that the proposed fees are based on the best market intelligence in terms of remaining competitive with neighbouring authorities.

- Revise Swansea Market Rent Charges by 5% - £50k

We raised concerns that an increase in rent charges could affect the occupancy of stall holders. You stated that market traders received a significant package of support after the pandemic including deferred increases in rent. Occupancy is currently high and you do not plan to raise rents above what you feel is reasonable. Cllr Hopkins stated that there are good communication links with market stall holders.

There are several other cost savings we wish to request more information on. These have been listed at the end of the letter pertaining to Corporate Services, Education, Place and Social Services. You also added that there are some transformational activities occurring within Social Care, moving towards more prevention and early intervention to deliver care at the earliest possible. You wished to highlight this was not about a reduction in care but care being delivered in a slightly different way with a move to reducing external providers thus removing profit from the third and private sector and provide more internally, in line with Welsh Government expectations.

Quarter 2 Revenue and Capital Budget Monitoring Report 2024/25

The officer highlighted the significant pressures in Social Care and Place, primarily driven by the pressures on homelessness, but also some technical pressures regarding home to school transport that has been transferred from Education into the Place directorate. This has resulted in a service overspend of £14m. Recovery plans are in place to seek to reduce the £14m overspend as much as possible by outturn which directors and cabinet members are working to deliver. It is not expected that this will be reduced to anywhere near zero. If services continue to overspend, there will not be the same degree of high in year protection and mitigation for 2024/25 afforded for 2025/26. The projected outturn still plans to draw down £19m from reserves but there is ongoing concern with the sustainability of using substantial draws from reserves.

Your Response

We welcome your comments on any of the issues raised and request further information regarding the following draft saving proposals. A formal response is requested by 20 February –

- Corporate Services, Legal & Democratic Services - Savings arising from a review of Legal & Democratic Services budgets - £100k
- Education - Increase charges for Catering service and SLA for schools - £300k

- Education - Core staff costs offset by grant - £975k
- Place, Building and Waste Services - Additional income generation through significantly increased work programme - £1m
- Place, Highways and Transportation - Increase street works and licencing fees annually in line by 5% - £25k
- Place, Highways and Transportation - Rationalisation of post-16 transport, reflecting reduced demand - £68k
- Social Services, Adult Services - Maintain the current number of supported accommodation placements with a reduced support package (LD/ MH & YA) of a total of 2.5% reduction in care - £600k
- Social Services, Adult Services - Reduce the costs of in-house residential care provision by 3% by increasing occupancy and maximising partner and client income contribution - £250k
- Social Services, Adult Services - Reduce the costs of in-house homecare (domiciliary care) provision by 3% by increasing case loads - £250k
- Social Services, Adult Services – Continue with in year recovery plan - £3m

Yours sincerely,



Councillor Chris Holley

Convener, Service Improvement, Regeneration and Finance Scrutiny Performance Panel

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Councillor Chris Holley
Convener, Service Improvement,
Regeneration and Finance Scrutiny
Performance Panel

SENT BY EMAIL

Please ask for: Councillor Rob Stewart
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E-Mail: cllr.rob.stewart@swansea.gov.uk
Our Ref: RS/JW/JJ
Your Ref:
Date: 20 February 2025

Dear Councillor Holley

**SERVICE IMPROVEMENT, REGENERATION AND FINANCE SCRUTINY
PERFORMANCE PANEL**

Thank you for your letter dated 30 January 2025 following my attendance at the above meeting on 14 January 2025.

Please find below my responses to your further queries detailed in your letter.

Corporate Services, Legal & Democratic Services - Savings arising from a review of Legal & Democratic Services budgets - £100k.

This figure relates to 2 new savings proposals put forward by Legal & Democratic Services for the period 25/26 to 28/29.

1. Removal of surplus budget from Members' salaries budget code

25/26	26/27	27/28	28/29
£80k	£80k	£80k	£80k

Historically, this budget has received surplus funding. It has received the benefit of the staff pay award in addition to the funding of the pressure to cover the annual IRPW recommended pay award for members. This £80,000 reduction from base budget can be offered as a saving to re-align this budget code to reflect a more accurate spend.

2. Removal of surplus supplies budget

25/26	26/27	27/28	28/29
£20k	£20k	£20k	£20k

This saving can be offered from the various supplies budgets across the combined L&DS service areas and will not negatively impact service delivery.

Education – Increase charges for Catering service and SLA for schools - £300k

The cost of providing the Service Level Agreement to schools has increased due to a number of factors, including pay awards for staff at the lower end of our pay scales (around an 8% increase), the increasing cost of food, as well as increased demand following the roll out of universal free school meals. As with all SLAs, the charge to schools should cover the cost of the service. Schools have received additional funding in the delegated budget share that will support increased SLA charges, and the Welsh Government has also reviewed its grant allocation per meal for universal free school meals which will cover a large proportion of the extra income required to balance against the service cost. Officers continue to work with headteachers each year to approve SLAs before they are offered out to schools and revised and reduced costings will be provided for the coming financial year that take into account the additional Welsh Government grant.

Education - Core staff costs offset by grant - £975k

The Welsh Government has remodelled a number of grants into a new Local Authority Education Grant (LAEG). The grant is over £21m in the coming financial year. Some of the grant will continue to be used to offset staff salaries, which is permissible expenditure under the grant terms and conditions. This allows a saving to be offered up from core budgets to allow the directorate to balance to the cash limit, without impacting on delegated school budgets. There is a risk in future that if grants reduce or flatline then funding will need to be sought from a review of core expenditure, and if core funding is not available then the provision and posts may need to be reviewed.

Place, Building and Waste Services - Additional income generation through significantly increased work programme - £1m

The income generated within Building Services has increased significantly in recent years due to increasing levels of work completed on particular projects including housing, capital maintenance and schools. In each of the past three years the turnover has been in excess of £100M.

In 2025/26 through the Housing Capital and Revenue, Capital Maintenance and Education Capital works we will once again turn over circa £100M and this expected to generate additional income on all work completed estimated at £1M.

Place, Highways and Transportation - Increase street works and licencing fees annually in line by 5% - £25k

The proposal forms part of the approach to review all fees and charges on an annual basis. The charges will be increased to an appropriate level which will link to inflationary increases. The fees are paid by individuals and organisations who wish to carry out works on the highway e.g. utility companies, skip companies and businesses wishing to place tables and chairs on the highway.

Place, Highways and Transportation - Rationalisation of post-16 transport, reflecting reduced demand - £68k

The discretionary elements of the Home to School Transport Policy, including post-16 transport, have been reviewed and are not currently proposed for change but efficiencies are being sought via procurement and other means to meet the stated saving.

Social Services, Adult Services - Maintain the current number of supported accommodation placements with a reduced support package (LD/ MH & YA) of a total of 2.5% reduction in care - £600k

Across many of our savings targets there is the principle of maintaining current numbers of clients. This will be achieved by delaying recourse to managed care through the investment in our preventative services and alternative means of support. For those who do require supported accommodation we must ensure that this provision is consistently reviewed and appropriate to the defined outcomes of the person. As part of our in-year recovery this has been achieved through 'whole home' reviews exploring opportunities for savings through efficiencies in how the support is delivered. Maintaining the needs of our clients at the forefront alongside ensuring we are proactive in assuring financial efficacy.

Social Services, Adult Services - Reduce the costs of in-house residential care provision by 3% by increasing occupancy and maximising partner and client income contribution - £250k

This savings proposal builds upon in year recovery plan actions via the active promotion and systems of approval to ensure use of our internal resource for all appropriate residential placements prior to any consideration of externally commissioned residential care. Optimising the use of internal resource in the first instance will reduce the running costs of our in-house residential care provision – working to capacity, ensuring all available places in our homes are occupied, to achieve the savings as described.

Social Services, Adult Services - Reduce the costs of in-house homecare (domiciliary care) provision by 3% by increasing caseloads - £250k

This proposal is focused on the increase of Homecare reablement caseloads specifically. We know that there are efficiencies that can be achieved whilst retaining our existing resource across homecare by organising ourselves differently. Aligned to our Target Operating model, growth of our reablement capacity is necessary in the promotion of independence essential to supporting more people to remain within their own homes and communities for longer.

Increasing our short term (up to 6 weeks) reablement client cohort from both community and hospital pathways will ensure optimisation of our internal capacity as well as supporting better outcomes for people by reducing or delaying recourse to commissioned domiciliary care. For those people requiring long term domiciliary care following a period of reablement we then have a proportionate, functional assessment completed to ensure the right level of care is commissioned.

Social Services, Adult Services – Continue with in year recovery plan - £3m

The principles of our in-year recovery plan will continue - in summary these include maintaining low recourse to care, reducing the amount and the cost of the care we are providing, maximising income and wherever possible reducing the costs of running our business. These principles are echoed across our Target operating model for Adult Services – investing our resources to actively deliver more preventative services to enable more people to remain outside of social services for longer and for those people we do support exploring all opportunities to enable them to remain within their own homes and communities for longer. This principle will ensure we preserve our capacity and resources to maintain our statutory services.

If you require any further information, then please let me know.

Yours sincerely



**Y CYNGHORYDD/COUNCILLOR ROB STEWART
ARWEINYDD/LEADER**



To:
Councillor Rob Stewart
Cabinet Member for Economy,
Finance & Strategy (Leader)

Please ask for:
Gofynnwch am:

Overview & Scrutiny

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Date
Dyddiad:

19 February 2025

Summary: This is a letter from the Service Improvement, Regeneration and Finance Scrutiny Performance Panel to the Leader / Cabinet Member for Economy, Finance and Strategy. The letter concerns the meeting held on 18 February 2025 and pre scrutiny of the Annual Budget Reports. A response is required by 12 March.

Dear Councillor Stewart,

On 18 February, the Service Improvement, Regeneration and Finance Scrutiny Performance Panel met to consider the Annual Budget reports that are being considered by Cabinet on 20 February. The Panel are grateful to you and Ben Smith Director of Finance / Section 151 Officer for attending to provide information and answer questions.

We are writing to confirm the views of scrutiny for Cabinet to consider before making its decisions. This is based on discussion at the Service Improvement, Regeneration & Finance Panel meeting as well as input from our Education and Social Services Scrutiny Panels which met separately ahead of our Panel meeting.

We asked several questions, which were responded to, around:

- The overspends in Social Services, Education and Place.
- Inflation, repayments on borrowing and future borrowing.
- The Minimum Revenue Provision.
- Employers national insurance contributions increase and its impact on Council and external providers.
- Equal pay provision.
- Schools pay award for teaching/non-teaching staff and schools capital programme.
- Hospital discharge to care.
- The revenue support grant and national non-domestic rates.
- Allocated sums to capital projects and commercial sensitivity.

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- Challenges with sourcing appropriate and available residential homes.
- Unsupported borrowing requirements.
- HRA reserves and funding for general environmental schemes.

Scrutiny Feedback

In the time available to review the reports and ask questions, the Panel wish to bring the following views / recommendations to the attention of Cabinet:

Overall

- **Further settlement** - We understand the Welsh Government is expected to release the final Local Government Finance Settlement on the afternoon of 20 February, which may result in unavoidable changes to the budget.
- **National Insurance Compensation** – We acknowledge that the lack of details on compensation for the increase in employers national insurance contributions has posed challenges to the budget. The officer is satisfied that sufficient provisions and contingencies have been included, barring additional cost pressures. This increase will also put pressure on external providers, particularly affecting social services. Whilst we have been reassured that these risks have been given due regard, the full impact remains unknown.
- **Capital Financing** – We recognise the challenge of budgeting for items affected by commercial sensitivity. However, this impacts effective public scrutiny. Providing more information in advance about commercially sensitive items would be beneficial.
- **Skyline** – Whilst there is commercial sensitivity regarding the £8m allocated to the Skyline scheme over the next two years, it was confirmed to us that based on the current business plan, there are no plans to subsidise the scheme in the short term.
- **Capital Equalisation Reserve** – We note that this reserve was designed to smooth out capital financing, however it is now being used to support the revenue budget.
- **Budget information** – The Panel request that in future, more background information be provided alongside the budget to offer insight into the decisions and choices behind the budget headlines.
- **General Environmental Schemes** – We request further information on why the general environmental scheme listed in Appendix B of the HRA Capital Budget is being reduced from £700,000 to £70,000 in 2025/26, the impact of this reduction and what scope Cabinet have, to reinstate this budget.

Joint Social Services

- **Budget increase** – The Panel is pleased to see quite a significant increase in the proposed Social Services budget for 2025-26 of £25.5m which is 14.9%, but it has some concerns around the savings proposals.
- **Transparency** – The Panel feels it is important the budget proposals are really transparent, and the inclusion of percentages is a good way forward.
- **Level of support for people** – The budget proposals talk about realignment, but the Panel has concerns about a potential reduction in the level of support for people and maintaining the quality of service.

- **Increase in Living Wage and National Insurance** - The potential increase in the living wage and national insurance cost to employers is of concern to the Panel, as these increased costs are likely to be passed onto the Council by external service providers. Also, it is not yet clear whether the government will fully compensate Councils for the additional cost of the NIC increase as a result.
- **Preventative agenda** – The Panel feels the number of savings the Department is hoping to make is dependent on the preventative agenda and this will require careful monitoring going forward.
- **Reducing external Foster Care** - One of the savings in the proposals is to reduce external foster care. Panel is concerned that if this is reduced, whether there will be sufficient capacity in Foster Wales to pick up the extra.
- **Home adaptations** – These need to be in place before people can be discharged from hospital and go back to their own home. The Panel feels there is a need to ensure this process works more effectively so people can leave hospital sooner and stay at home longer.

Education

- **Budget Increase** - The Panel welcomes the increase to the Education budget especially when considering that the £11.5m of one-off money granted in 2024/5 has now been base lined. This means that that true value of the base increase is over £23m, more than double the headline rate at over 12%. We note that the delegated schools budget for 2025/26 is £213.6m which we were told is the highest it has ever been. However, I think we would all agree that the level of spending on education across Wales and the UK is still not enough in view of the increasing expectations, demands and pressure on education and schools.
- **Uncertainty about National Insurance Costs** - We are pleased with the commitment to cover increases in teachers' pay and pension costs. However, the Panel is concerned about the impact additional Employer National Insurance costs (estimated at £2.4m for the schools delegated budget) could have on school budgets if this is not fully compensated. We note that assumptions have been made within the budget but there is material uncertainty over costs which we may not know until June.
- **Funding via Grants** - The Panel shares the concern that substantial elements of schools funding is now being delivered via specific grant (Local Authority Education Grant) and presents a risk to overall school's funding that is not in the control of the Council.
- **School Budget Forum Concerns** - Although the School Budget Forum recognises a better-than-expected settlement, their letter contains some concerning statements. The Panel would appreciate sight of the Leader's / Cabinet response to the School Budget Forum, particularly the concerns raised within that there is 'not enough money to deliver statutory education services' as well the ability to deliver the reform agenda, including ALN. The Forum also highlights that 'budgeted expenditure per pupil in Swansea has fallen to the lowest ranking of 22nd of the 22 local authorities in 2024-25'; though at the same time it recognises there may be inconsistency in how Local Authorities report and allocate spending on education and potentially misleading comparisons. We remain concerned about the drop in school reserves highlighted by the Forum, and rate of depletion. We

have asked for a summary of the position of current school reserve levels (as of 31 March 2025) from the Education Directorate to see how much further reserves have dropped and the variation between schools. We are told however that the overall relative position regarding reserves in Swansea is better than elsewhere in Wales; nevertheless, we need to address this issue.

- **Meeting Additional Learning Needs** - Whilst recognising there is a strategy in place, ALN funding remains a challenging area for the Council given the increase in demand and pressures, and impact on schools and education, both in mainstream and specialist settings. We asked about our intelligence on this, how well the Council is able to forecast things and the impact on budgets. The Panel will be looking more closely at ALN funding / provision and demand at future Scrutiny meeting(s) to monitor things.
- **Staffing Implications** - We note that the 'headcount' reduction figure provided (shown as 1 for Education) does not include schools. The Panel was keen to know when we will know the implications for schools' staff. We understand that this will not be known until schools have their indicative budgets for 2025-26.
- **Budget for Home to School Transport** - We note that funding for Home to School Transport has been transferred from the Education Directorate to the Place Directorate.

Your Response

I will be attending the meeting on 20 February to address Cabinet with the feedback from Scrutiny, as contained in this letter and we request to be kept updated if there are any material changes to the Annual Budget reports and/or amendments to the budget agreed by Cabinet.

Additionally, we have a question from the meeting for which we would appreciate a written response by 12 March -

- An explanation of why the general environmental scheme listed in Appendix B of the HRA Capital Budget is being reduced from £700,000 to £70,000.

Yours sincerely,



Councillor Chris Holley

Convener, Service Improvement and Finance Scrutiny Performance Panel

✉ cllr.chris.holley@swansea.gov.uk

Councillor Chris Holley
Convener, Service Improvement and
Finance Scrutiny Performance Panel

SENT BY EMAIL

Please ask for: Councillor Rob Stewart
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Our Ref: RS/JW
Your Ref:
Date: 21 February 2025

Dear Councillor Holley

**SERVICE IMPROVEMENT, REGENERATION AND FINANCE SCRUTINY
PERFORMANCE PANEL**

Thank you for your letter dated 19 February 2025 and the summarising of our discussions and those of the other service panels.

I note and agree with much of what is said and will only briefly respond to a few matters of additional merit as we have noted and discussed much of the content at Cabinet including your, as ever, constructive and helpful scrutiny feedback on the budget proposals and reports.

Notwithstanding your deadline date of 12 March for reply I think it would be beneficial for an early reply to allow full exchange of views before council debates and sets the budget.

We have, as you are aware, also now have had the settlement literally straight after Cabinet (in an as ever unfortunate compressed set of timings determined by Welsh Government) and it is clear there has been a significant injection of additional cash into especially local government above all other services. Which is pleasing. The bulk is however specific grant and will of course both be spent for the purposes intended but also means the core allocation on block grant has hardly moved from the papers published at Cabinet and discussed at scrutiny panels. Nonetheless the levels of national increase to those extra grants mean that we should expect well over £5m of additional specific grant for services for this Council alone even though we won't directly benefit from the other main offer, higher floor funding. We were above the final floor set by Welsh government, but we are pleased there is a collective beneficial impact on local government as a whole, even where we don't directly gain on all matters ourselves.

I therefore envisage no material changes flowing from the final core settlement for Council papers bar very minor technical changes delegated to the S151 Officer by Cabinet, and the larger, but still technical, addition of the sums into capital with associated revenue financing for the known about but previously uncertain as to quantum, timing and terms of the Local Government Borrowing Initiative (for Highways). Whilst specific grant this coming year it is anticipated to then go into the following years block grant and is effectively a technical adjustment to allow for a material addition to capital on highways (around £7m over 2 years) funded by effectively what will become supported borrowing of eventually around £600k per annum).

We have had confirmed that national insurance compensation is not included in the settlement and there is no core funding for this for our staff yet and none for our partners and suppliers (though some support in specific grant for childcare/flying start appears to allow for some anticipated impact of potentially pay and national insurance pressures there). We do have an assurance from Welsh Government that once a figure is known by Welsh government, we will get a share, but amount unknown. As the S151 officer has noted repeatedly this is very unfortunate and he has had to continue to estimate "blind" at £7m.

We have agreed there is a need to look again in conjunction with the CX, the S151 Officer and the Monitoring Officer about how we disclose exempt item reports. The principle of the detail where exempt items remain exempt and may not be discussed is accepted by us all, as is the need to set a public budget with totals in for there to be any public sight and any chance of monitoring and scrutiny against the sums planned spent. We will endeavour to see if a revised format can better achieve wider disclosure of all that can be disclosed without compromising the need to protect Council interests where an exemption will where necessary continue to apply.

The S151 Officer has asked the draft minutes to be corrected and has also asked that they be addressed here around the Skyline discussion at scrutiny panel. The officer assurance given was that viewed over the lifetime he was satisfied that subject to achieving the business plan (an exempt item) then the terms of the investment (exempt item) and repayment (exempt item) there would be no need for a public subsidy. By its very nature of having spending short term in the capital programme there is clearly a short term use of public money to fund the scheme initial investment temporarily.

On the HRA budgets the S151 Officer explained why there were risks and potential liabilities that drove the reserve position and the need to reduce at the margin some elements of capital spending. We all intend to return to "normal" once those risks are addressed and hopefully removed or at least more certainly costed and assessed as to likelihood of occurring in practice. This is an ongoing legal matter that affects all 11 housing stock holding authorities and registered social landlords.

As well as general comments and observations you asked for one specific follow up:

“An explanation of why the general environmental scheme listed in Appendix B of the HRA Capital Budget is being reduced from £700,000 to £70,000.”

The response is as follows:

General Environment Schemes - HRA investment profile is as set out in the Appendix B table and prioritises work programmes to ensure homes are in a good state of repair, safe and secure, efficiently heated and meet the needs of the individual. The General Environmental Improvements Scheme has addressed areas belonging to the Housing Revenue Account which are outside the curtilage of individuals' homes such as landscaping and localised parking and footpaths which serve HRA properties and are not part of the adopted highway. The Housing Service has invested over £6.8m over the last 5 years addressing many of the needs and the proposal is to now revise this down and concentrate available investment on properties and the needs of the individual. The next budget setting process for 2026/27 will review whether further investment is required in this area.

Yours sincerely



**Y CYNGHORYDD/COUNCILLOR ROB STEWART
ARWEINYDD/LEADER**

Agenda Item 9



Report of the Chief Legal Officer

Service Improvement, Regeneration & Finance Scrutiny Performance Panel – 11 March 2025

Exclusion of the Public

Purpose:	To consider whether the Public should be excluded from the following items of business.		
Policy Framework:	None.		
Consultation:	Legal.		
Recommendation(s):	It is recommended that:		
1)	The public be excluded from the meeting during consideration of the following item(s) of business on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Paragraphs listed below of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 subject to the Public Interest Test (where appropriate) being applied.		
	Item No's.	Relevant Paragraphs in Schedule 12A	
	10	14	
Report Author:	Democratic Services		
Finance Officer:	Not Applicable		
Legal Officer:	Debbie Smith – Chief Legal Officer (Monitoring Officer)		

1. Introduction

- 1.1 Section 100A (4) of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007, allows a Principal Council to pass a resolution excluding the public from a meeting during an item of business.
- 1.2 Such a resolution is dependant on whether it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present during that item there would be disclosure to them of exempt information, as defined in section 100I of the Local Government Act 1972.

2. Exclusion of the Public / Public Interest Test

- 2.1 In order to comply with the above mentioned legislation, the Panel will be requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.
- 2.2 Information which falls within paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended is exempt information if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 2.3 The specific Exclusion Paragraphs and the Public Interest Tests to be applied are listed in **Appendix A**.
- 2.4 Where paragraph 16 of the Schedule 12A applies there is no public interest test. Councillors are able to consider whether they wish to waive their legal privilege in the information, however, given that this may place the Council in a position of risk, it is not something that should be done as a matter of routine.

3. Financial Implications

- 3.1 There are no financial implications associated with this report.

4. Legal Implications

- 4.1 The legislative provisions are set out in the report.
- 4.2 Councillors must consider with regard to each item of business set out in paragraph 2 of this report the following matters:
- 4.2.1 Whether in relation to that item of business the information is capable of being exempt information, because it falls into one of the paragraphs set out in Schedule 12A of the Local Government Act 1972 as amended and reproduced in Appendix A to this report.
- 4.2.2 If the information does fall within one or more of paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended, the public interest test as set out in paragraph 2.2 of this report.
- 4.2.3 If the information falls within paragraph 16 of Schedule 12A of the Local Government Act 1972 in considering whether to exclude the public members are not required to apply the public interest test but must consider whether they wish to waive their privilege in relation to that item for any reason.

Background Papers: None.

Appendices: Appendix A – Public Interest Test.

Public Interest Test

No.	Relevant Paragraphs in Schedule 12A
12	Information relating to a particular individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 12 should apply. Their view on the public interest test was that to make this information public would disclose personal data relating to an individual in contravention of the principles of the Data Protection Act. Because of this and since there did not appear to be an overwhelming public interest in requiring the disclosure of personal data they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
13	Information which is likely to reveal the identity of an individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 13 should apply. Their view on the public interest test was that the individual involved was entitled to privacy and that there was no overriding public interest which required the disclosure of the individual's identity. On that basis they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
14	Information relating to the financial or business affairs of any particular person (including the authority holding that information).
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 14 should apply. Their view on the public interest test was that:</p> <ul style="list-style-type: none"> a) Whilst they were mindful of the need to ensure the transparency and accountability of public authority for decisions taken by them in relation to the spending of public money, the right of a third party to the privacy of their financial / business affairs outweighed the need for that information to be made public; or b) Disclosure of the information would give an unfair advantage to tenderers for commercial contracts. <p>This information is not affected by any other statutory provision which requires the information to be publicly registered.</p> <p>On that basis they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>

No.	Relevant Paragraphs in Schedule 12A
15	<p>Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.</p>
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 15 should apply. Their view on the public interest test was that whilst they are mindful of the need to ensure that transparency and accountability of public authority for decisions taken by them they were satisfied that in this case disclosure of the information would prejudice the discussion in relation to labour relations to the disadvantage of the authority and inhabitants of its area. On that basis they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
16	<p>Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.</p>
	<p>No public interest test.</p>
17	<p>Information which reveals that the authority proposes:</p> <p>(a) To give under any enactment a notice under or by virtue of which requirements are imposed on a person; or</p> <p>(b) To make an order or direction under any enactment.</p>
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 17 should apply. Their view on the public interest test was that the authority's statutory powers could be rendered ineffective or less effective were there to be advanced knowledge of its intention/the proper exercise of the Council's statutory power could be prejudiced by the public discussion or speculation on the matter to the detriment of the authority and the inhabitants of its area. On that basis they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
18	<p>Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime</p>
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 18 should apply. Their view on the public interest test was that the authority's statutory powers could be rendered ineffective or less effective were there to be advanced knowledge of its intention/the proper exercise of the Council's statutory power could be prejudiced by public discussion or speculation on the matter to the detriment of the authority and the inhabitants of its area. On that basis they felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>