



## Report of the Section 151 Officer

Council - 6 March 2025

### Medium Term Financial Planning 2026/27 to 2028/29

<b>Purpose:</b>	This Report sets out the rationale and purpose of the Medium Term Financial Plan and details the major funding assumptions for the period and proposes a strategy to maintain a balanced budget.
<b>Policy Framework:</b>	Medium Term Financial Plan and Budget Strategy
<b>Consultation:</b>	Legal, Access to Services, Cabinet Members and Corporate Management Team
<b>Recommendations:</b>	It is recommended that:  1) The Medium Term Financial Plan 2026/27 to 2028/29 be approved as the basis for future service financial planning.
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#### 1. Introduction and Background

- 1.1. Service and financial planning continues to be undertaken against a backcloth of increasing service pressures and demand. Again this year there is added pressure and uncertainty as we deal with a cost of living crisis and uncertain inflation levels. This has affected short-term planning and is expected to continue to impact the budget in the medium term.
- 1.2. The Medium Term Financial Plan (MTFP) is an overarching strategy that:
  - Covers three future years.
  - Forecasts future known additional spending requirements, likely resources and potential funding shortfalls.
  - Links to the Council's adopted transformation programme '*Transformation Strategy 2022-2027 and Beyond – Successful and*

***Sustainable Swansea'*** as a means of addressing future budget shortfalls.

- Links to the Council's revised Corporate Plan, "Delivering a Successful and Sustainable Swansea" and the delivery of our top 6 priorities.
- Has due regard to our duties under the Well-being of Future Generations Act 2015.

Future detailed Service planning will need to be undertaken within the financial assessments and forecasts contained within the Medium term Financial Plan.

- 1.3. It is important to understand that the MTFP does not constitute a formal budget in respect of the period 2026/27 to 2028/29 and as such the indicative annual assumptions included both within the projected spending pressures detailed in Sections 2 and 3 of this report, and the potential funding detailed in Sections 4 and 5, will be subject to a full review and decision making process as part of each of the annual Revenue Budget and Council Tax setting decisions.**
- 1.4. Instead, the MTFP is intended to outline, in broad terms, the specific service and funding issues over the three-year period and how the Council will, within its financial constraints, fund its priorities and achieve major service change and savings.
- 1.5. It is essential as a planning and review tool in order to assess, on an ongoing basis, base assumptions around service pressures and progress against delivery of savings.
- 1.6. The plan serves to highlight the trend for increasingly uncertain times ahead in terms of funding for this Council and Local Government in general, as well as the service pressures that the Council faces from rising demands and increases in demography, together with potential funding pressures arising from ambitious plans for capital development.
- 1.7. Importantly, it is essential that the MTFP is a 'living' document that is subject to regular review and revisions as more information becomes available and risks are updated. As such, it is anticipated that, along with close monitoring of the specific budget proposals and savings targets for 2025/26, further reports to Cabinet regarding the MTFP will be made as necessary. In particular, the Mid Term Budget Statement in the autumn of 2025 will provide a key update on the financial outlook and delivery of savings.
- 1.8. The MTFP is one of many documents that are produced in terms of financial planning and control. These include:
  - The annual Revenue and Capital Budgets of the Authority
  - The annual HRA Capital and Revenue Budgets
  - The formal quarterly budget monitoring reports presented to Cabinet
  - The Mid-term Budget Statement intended to be produced each year as an aid to strategic review on progress

- The Revenue and Capital Outturn Statements taken to Cabinet following year end
  - The Statement of Accounts produced and approved by Council annually.
- 1.9. The MTFP is intended to form a logical flow from an assessment of forecast resources over the medium term through each step of a structured planning process for future years and as such it specifically details:
- Section 2 Overview of financial planning environment 2026/27 – 2028/29  
 Section 3 Detailed spending and resources forecast 2026/27 – 2028/29  
 Section 4 Strategy to address future savings requirements  
 Section 5 A summary of the Medium Term Financial Plan and the Transformation Strategy 2022-2027 and Beyond  
 Section 6 Medium Term Financial planning for Schools  
 Section 7 Risks and issues implicit within the MTFP  
 Section 8 Use of reserves  
 Section 9 Legal and Equalities implications

## 2. Overview of Financial Planning Environment 2026/27 to 2028/29

- 2.1. The Medium Term Financial Plan (MTFP) report considered by Council on 6<sup>th</sup> March 2024 included a service and financial overview. This was updated in the budget proposals report given to Cabinet in January 2025 and in the budget report presented to Cabinet in February 2025.

### ***Economic Outlook and Prospects for Public Finances***

- 2.2. The announcement of the final Revenue and Capital Settlement for 2025/26 resulted in an overall cash increase of £33.388m in 2025/26 compared to 2024/25. There has been no change to the number of transfers included within the final settlement, however some of the values transferred in have changed. The following table shows the difference:

<b>Transfers In</b>	<b>Provisional Settlement £'m</b>	<b>Final Settlement £'m</b>	<b>Difference £'m</b>
No-one Left Out	1.258	0.665	-0.593
Discretionary Homelessness Prevention	0.419	0.616	0.197
Strategic Co-ordinator	0.111	0.060	-0.051
Teachers Pay	1.368	1.368	0.000
Teachers Pensions	4.572	4.572	0.000
NJC Pay	3.958	3.958	0.000
Fire Pay	0.070	0.070	0.000
Fire Pensions	0.294	0.294	0.000
<b>Total Transfers In</b>	<b>12.050</b>	<b>11.603</b>	<b>-0.447</b>
Transfer Out - as above	-0.040	-0.040	0.000
<b>Net Transfers In/Out</b>	<b>12.010</b>	<b>11.563</b>	<b>-0.447</b>

Both the Revenue Budget Report (elsewhere on the agenda) and this MTFP Report keep the transfers as originally listed because it would be counter intuitive to cut homelessness funding by a further net £400k given it is a major source of spending pressure.

There is an increase of just over £21.6m in block grant after allowing for these and tax base changes. Whilst this is a welcome increase, it needs to be set in the context of the forecast cost of pressures faced by this Council – around £70m for 2025/26 alone.

- 2.3. The current economic climate continues to be uncertain, even more so at the moment, and the Welsh Government acknowledged in their letter to all Local Authorities that local government is facing significant pressures and difficult decisions. There is and will continue to be uncertainty over the UK's relationship with Europe, America and the impact on Wales post Brexit as well as the on-going impact of the COVID-19 pandemic.
- 2.4. Of course, the level of Welsh Government devolved Block Grant is not the only determinant of Welsh Government support for Local Authorities. It is possible that further delegation and transfer of powers and rights from Westminster to Cardiff, together with further tax changing/raising powers, may impose greater or lesser financial risks to Welsh Government than is currently the case. There is also the fact that Welsh Government has to decide on its own cross-sectoral allocation of devolved funding to public services in Wales.
- 2.5. Whilst it is a positive final settlement for 2025/26, there is no certainty that it can continue at such a relatively high level in future years and, in addition to possible real terms reductions in future core funding, the Council also has a wide range of service and demographic pressures which will inevitably impact on demand for services. Equally clearly, there is a potential for further UK Government announcements to impact on costs borne by the Council, particularly in respect of any changes to taxation. The clear example is of the changes to National Insurance, which will add around £7m to the Council's annual costs. Whilst it is acknowledged that this will be compensated for, the amount and timing of that compensation has yet to be determined.
- 2.6. As mentioned above, a further complication over the period of the MTFP involves potential changes to devolved tax varying and raising powers from Westminster to the Welsh Government including a review of council tax, divergence in Non-Domestic Rates and reliefs and future potential tourism levies. Whilst notionally impacting primarily on individual taxation, change has the potential to impact directly on Local Authority budgets and risk.
- 2.7. In terms of core revenue funding, the final Revenue settlement issued by the Welsh Government in February 2025 gave a detailed settlement level for 2025/26 only, with no further information for future years. Whilst only indicative, the three-year settlement indication previously given has nevertheless been a very welcome tool to assist future forecasting by Authorities. As we are now at the end of the previous three-year settlement, forecasts for future years are even more uncertain and of a high-risk nature,

especially as the UK Government’s Comprehensive Spending Review is underway but is not expected to be completed until after the current Budget and MTFP reports are approved.

- 2.8. All this, of course, has to be set against a backdrop of significant global instability where events can impact significantly – and at short notice – on the UK economy and the overall UK economic outlook.
- 2.9. For the purposes of the planning assumptions, especially without any future year indications, it is good practice to forecast a range of potential funding scenarios, each of which will result in differing financial forecast for the Council over the period covered. The forecasts will be updated using the mid-term budget statement to Council each year to reflect the best information available on a rolling basis. For the purposes of the MTFP, forecasts will be based around a range of scenarios between cash flat (0%), an increase of 2% and an increase of 4%.
- 2.10. These are scenarios to demonstrate the range of possibilities and are entirely contingent upon UK and Welsh Government future budget decisions.

Year	AEF Standstill @ 0% £'000	AEF Increase @ 2% £'000	AEF Increase @ 4% £'000
2026/27	0	8,500	18,700
2027/28	0	9,400	19,500
2028/28	0	9,800	20,300
<b>Cumulative</b>	<b>0</b>	<b>27,700</b>	<b>58,500</b>

Note that the above scenarios are based on the provisional AEF for 2025/26 of £468.469m as announced in December 2024.

The above represents a spread in terms of potential overall increases over the life of the MTFP, which will have to be updated on a regular basis.

**The compounding effect of this key assumption is substantial over the life of the MTFP – the savings ask could be considerably higher if the actual increase is less than the range used as a planning assumption or considerably less if the settlements are more than assumed.**

- 2.11. During the timescale of the MTFP there are a significant number of events which could impact on some of the major assumptions made. These include:
- Any voluntary or joint arrangements, including regionalisation, in lieu of compulsory Local Government reorganisation in Wales,
  - Wider events that could impact on the Global economic position,

## ***Support for Capital Programmes***

- 2.12. Following the announcement of the final settlement issued by the Welsh Government, the indicated support for future General Fund Capital programme is unchanged from the original £14.338m for 2025/26, an increase of £1.395m compared to 2024/25, which is still only just above that needed to meet the current budget allocations to cover core commitments (i.e. highways, building maintenance and disabled facilities grants).

This settlement support is through a mix of General Capital Grant and support for borrowing. Wider capital support elsewhere is however very significant and must be equally recognised.

Significantly, there is a specific revenue grant for the Highways Management Local Government Borrowing Initiative, which will allow an estimated additional £7.1m of supported borrowing over two years. It is expected that this specific grant will become part of the revenue support grant in future years. This has not been incorporated into the MTFP as it stands as the details are not yet known at local authority level.

Planning assumptions over the life of the MTFP are based on further unchanged levels of capital support, in the absence of any further indications from the Welsh Government.

As reported elsewhere on this agenda, in the Capital Budget & Programme 2024/25 – 2029/30 Report, there is an ambitious capital investment programme. This includes the continued investment in Swansea Schools, through the residual Band B phase of the 21<sup>st</sup> Century Schools Programme (now called the Sustainable Communities for Learning Programme) and major capital schemes flowing from the Swansea Bay City Deal including Swansea Central and wider regeneration.

The capital investment identified above will continue to attract significant grant funding (Sustainable Communities for Learning and Swansea Bay City Deal), however the programme will still require material future unsupported borrowing to enable completion.

- 2.13. Cabinet endorsed the new rolling Strategic Outline Plan for the next 9 years of the Sustainable Communities for Learning Programme in February 2024. Containing a mix of residual Band B schemes, new schemes within the current and refreshed MTFP as well as far beyond to 2033, it has indicative status only, with each site subject to a case by case evaluation in due course, including funding. Nevertheless, the indicative approval is substantial and aspires to up to £417m of investment, of which £112m is required to be provided locally from a mix of funding sources, including capital receipts, but expected consequentially to be predominantly new unsupported borrowing yet to be undertaken, or provided for, in future revenue budgets to service that unsupported borrowing in due course, if business cases are subsequently approved.

- 2.14. The capital financing strategy underpinning the capital budget seeks to maximise grants, supported borrowing, contributions and capital receipts in order to minimise the need to borrow. The borrowing requirement identified to support the capital programme is significant and shall require substantial revenue support to service. The revenue implications are reported in the Revenue Budget elsewhere on this agenda. The revenue implications are considered affordable and sustainable over the cycle of the programme.
- 2.15. As indicated above, the position remains that should such capital receipts not materialise the Council will have no option but to consider reductions in spend, seek alternative sources of funding or, as a last resort, consider additional borrowing which shall place a further burden on revenue finances.
- 2.16. In the recent past, the Council has sought to minimise its external borrowing by the use of internal funds, which is entirely consistent with good Treasury Management policy given historic low interest rates on investments and avoiding the 'cost of carry', which has served this Authority well. Sustained internalisation of borrowing requirement and the significant funding required for the capital programme from 2021/22 onwards and the planned medium term depletion of earmarked Reserves and Provisions means that externalisation of this funding became inevitable. This strategy has proved particularly beneficial to the Council's capital funding strategy as it took advantage of volatility in PWLB rates prevailing and undertook the required PWLB borrowing in 2021/22 at all-time low rates achieved by this Authority, therefore removing interest rate risk for the short medium term.
- 2.17. It remains the case that each year the Council sets aside a significant amount of money (c £15.5m 2024/25) called the Minimum Revenue Provision (MRP) towards the repayment of debt. This provision is in line with the Council's existing MRP Policy, which was revised in 2018/19. This effective repayment will have to be taken into account when evaluating overall borrowing levels and the ability to service any additional borrowing requirement.
- 2.18. The additional capital investment identified above will attract significant grant funding (especially 21st Century Schools/Sustainable Communities for Learning and Swansea City Region Deal and follow on regeneration), however the programme will still require a material unsupported borrowing to enable completion alongside the use of capital receipts as they are realised. Furthermore, some schemes have the potential to provide additional revenue streams of property income, or, subject to agreement, in due course, with Welsh Government, retained elements of non-domestic rates or possibly tax increment financing as further powers devolve to Welsh Government and then on to local government.
- 2.19. Notwithstanding this scale of ambition, each major scheme will, as always, be considered on the overall merits of each business case, both in capital cost, and revenue income streams where appropriate. Unsupported borrowing will be undertaken on a phased basis within the overall envelope for affordability.

### 3. Detailed Spending and Resources Forecast 2026/27 to 2028/29

- 3.1. The Capital Budget report forecasts capital spending and resources in the period covered by the MTFP.
- 3.2. In terms of the Revenue Budget, and in the context of financial planning over the period of the MTFP, the overriding issue is likely to be the need to make significant ongoing savings in Service Expenditure in order to meet known and anticipated spending pressures.
- 3.3. The following table represents the expected funding requirements (based on current policies and decisions) for the period of the MTFP – **these are pressures and must be read in conjunction with the funding plans and indicative solutions set out in 5.4:**

#### **Projected Spending Pressures/Funding Deficiency 2026/27 – 2028/29**

	Note	2026/27	2027/28	2028/29
		£'000	£'000	£'000
Future cost of pay awards	1			
- Non Teachers		6,300	12,700	19,300
- Teachers		4,900	9,900	15,000
National Living Wage – contracts	2	5,000	10,000	15,000
Change to Inflation Provision	3	500	500	500
Capital charges	4	1,000	2,000	6,000
Use of Capital Equalisation Reserve	5	0	2,500	4,900
Add to/Reduce Contingency	6	89	502	1,668
Demographic and Service pressures	7	3,000	6,000	9,000
Mid and West Wales Fire authority Levy ( <b>independently decided by the Fire Authority</b> )	8	600	1,200	1,800
Other Levies (Swansea Bay Port Health Authority and the Corporate Joint Committee)	9	11	22	33
Council Tax Support Scheme	10	1,700	3,600	5,500
Rebase ICT Cloud costs	11	25	25	25
Agreed Service Pressures	12	3,039	6,410	10,190
Remove boosted Highways Capital Spend	13	0	-3,000	-3,000
Remove use of Insurance Reserve to fund boosted Highways spend	13	0	3,000	3,000
<b>Total known pressures / investment into services</b>		<b>26,164</b>	<b>55,359</b>	<b>88,916</b>
Total Savings Requirement	14	-11,464	-20,359	-28,116
<b>Net Funding Requirement</b>		<b>14,700</b>	<b>35,000</b>	<b>60,800</b>



Aggregate External Finance Increase @ 1%, 2% then 3% per annum	15	4,100	13,300	27,200
Council Tax Assumption at 6% (see Section 4)	16	10,600	21,700	33,600
<b>Total Resource Investment</b>		<b>14,700</b>	<b>35,000</b>	<b>60,800</b>

Alternative scenarios at differing levels of Welsh Government Support – if AEF turns out to be higher or lower than the planning assumption:

<b>Additional Money Available for Investment if 4% AEF (i.e. continues at similar level to current year increase)</b>		<b>14,600</b>	<b>17,500</b>	<b>26,900</b>
<b>Additional money if AEF is constant at 2%</b>		<b>4,400</b>	<b>4,600</b>	<b>500</b>
<b>OR</b>				
<b>Additional Savings needed if 0% AEF</b>		<b>-4,100</b>	<b>-13,300</b>	<b>-27,200</b>

Notes:

1. *The pay award figures represent a forecast increase of 2.5% for all staff, over the life of the MTFP. Pay claims are invariably higher but may not be settled at those levels and are often delayed then back dated.*
2. *Assumed increases due to implementation of National Living Wage - will affect contract prices.*
3. *Reflects the assumed minimum cumulative effect of contract inflation.*
4. *The budget for capital charges was reduced once again on a temporary basis in 2025/26, this will need to be reinstated over time and additional estimated previously agreed deferred borrowing costs arising from the new and regional capital programme added.*
5. *Cabinet have prudently built-up earmarked reserves to reduce the short term impact of increased capital charges in respect of new schemes, and targeted use of these reserves is now being built into the MTFP. Short term deferral results in significant later costs, but is logical and defensible as interest rates are currently relatively high by recent standards and expected to materially reduce in coming years, maximising the benefit for taxpayers over time*
6. *A small sum to be added to the contingency to allow for changes to (for example) the estimates on levies. Contingency will be increased over the latter years of the MTFP reflecting greater time and funding uncertainty into the future.*
7. *Assumed Demographic and Service pressures mainly around Adult and Children's Services.*
8. *Estimated increases for Fire Authority Levy*
9. *Estimated Increases for the Port Health and Corporate Joint Committee Levies.*

10. *Reflects the assumed cost of Council Tax Support Scheme costs based on Council Tax increases as a planning assumption only at this stage.*
11. *To rebase permanently some demand led pressures in Corporate Services predominantly around ICT cloud provision.*
12. *The future year impact of service specific pressures agreed as part of the suite of 2025/26 budget reports.*
13. *The future year impact of service specific pressures agreed as part of the suite of 2025/26 budget reports, in respect of short term boosted Highways spend.*
14. *The future year impact of service specific savings agreed as part of the suite of 2025/26 budget reports.*
15. *Estimated increase in AEF at 1%, 2% then 3% per annum.*
16. *Reflects the Council Tax assumption of 6% as detailed in Section 4.*

3.4. As stated, this forecast contains limited provision for increases in net service costs, in particular there is no provision for:

- Any increase in costs arising from decisions on Government taxation – most significantly increases arising from landfill tax costs.
- Corporate costs in excess of budget provision in respect of issues relating to higher than assumed employee costs (higher than 2.5% per annum pay awards), or bigger movements in minimum statutory wage.
- Any one-off costs arising from changes to service delivery across the Council, including transformational change.
- Any general inflation provision relating to non-contractual issues.
- Any increased costs or reductions in income arising from changes to welfare reform the lifetime of the MTFP.
- Any budget changes arising from further regionalisation of any services.
- Any increases in Capital financing charges beyond those allowed for which is dependent on the Council achieving a level of capital receipts as detailed within the Capital budget submitted for approval elsewhere on this agenda and is wholly dependent on decisions around potential externalising of internal borrowing.
- Future funding decisions in respect of protection for Social Services or Delegated Schools' budgets which may be specified by the Welsh Government in future budget settlements.
- Any potential downward movement in service specific grants, some of which we have experienced at short notice in the past.
- Any ongoing increase on non-funded schemes including the Teachers' Pension Scheme at a future date.

3.5. It should be noted that the revenue budget report elsewhere on this agenda contains an assumption that further funding will be forthcoming in respect of the increase of National Insurance contributions. Should this funding be significantly less than that expected there could be a significant impact on future year forecasts.

- 3.6. The Local Government and Elections (Wales) Act 2021 is now in force and there is likely to be financial implications associated with implementation of certain duties under the Act.
- 3.7. Following a number of years of league topping investment returns (the no.1 fund in the 3 years to March 2024) since the last triennial actuarial valuation in 2022, the fund is projected to report a fund surplus at 2025 triennial valuation at 31/3/25.

It would not be imprudent to remove the previous projected pension contribution increases in the MTFP (consequently they have been fully removed) and dependant on the detailed outcome of the actuary's ultimate 2025 certification MAY be able to deliver some future contribution savings commencing 2026/27

In the management of the conflict of interests arising out of the Council's responsibilities as Administering Authority of the Pension Fund and as an Employer within the fund, in practical and operational terms, the Deputy S 151 Officer (the pension fund's identified senior officer) acts on behalf the Pension Fund whilst the S 151 Officer acts on behalf of the employer.

#### 4. **Strategy to Address Future Savings Requirements**

- 4.1. The scale of the financial, demographic and sustainability challenge required the Council to continue to adopt a radically different approach to previous years. An approach that focused on:
  - *The core future purpose of the Council*
  - *The transformation of services and the model of delivery*
  - *Greater collaboration with other councils and local organisations, community groups and residents*
  - *And, above all, sustainable solutions with prevention at its heart.*

This ambition was set out in *Sustainable Swansea – fit for the future*, our long-term plan for change, underpinned by our Innovation Programme.

- 4.2. The Sustainable Swansea Strategy was agreed by Cabinet and reported to Council in October 2013 and over the course of the next ten years was refreshed, updated and built upon, to keep pace with the new challenges facing the Council.
- 4.3. In April 2023 there was a further report to Cabinet – *Successful and Sustainable Swansea Corporate Transformation Plan* – this corporate plan is the next phase in the council's transformation journey and is structured under the six corporate priorities contained in the council's corporate plan.
- 4.4. The focus of this plan is the achievement of the council's vision, through the delivery of the most significant change programmes. Thirteen programmes have been identified and the savings identified as part of the MTFP have been aligned with these programmes where applicable, whilst recognising that

many savings do not involve transformation and as such are identified as 'business as usual' and sit outside the transformation programme.

- 4.5. These savings will evolve and change along with the programmes, but the initial allocation shows the following expectation against each programme in the transformation plan:

<b>Transformation Programme</b>	<b>Savings 2026/27 £'000</b>	<b>Savings 2027/28 £'000</b>	<b>Savings 2028/29 £'000</b>
Child and Family Services Transformation	956	2,200	3,849
Digital Transformation Programme	249	249	249
Future Community Hub Model	0	150	150
Future Waste Strategy	200	200	200
Regeneration Programme	24	324	324
Transforming Adult Services	6,045	11,090	14,935
Transforming Additional Learning Needs	25	250	250
Right Schools in Right Places	10	20	20
More Homes Programme, WHQS2/Decarbonisation and Right Schools in Right Places	400	600	1,000
Business as Usual	3,555	5,093	6,376
<b>Total Savings Requirement (excluding Schools)</b>	<b>11,464</b>	<b>20,176</b>	<b>27,353</b>

### **Our Service Priorities for 2025/26 and the MTFP Period**

- 4.6. Although the Council is currently focused on a plan to save an additional £85m over the period of the MTFP (since revised as per the January 2024 Budget Proposals report to Cabinet), it is vital to continue to retain Member and management focus on the significant proportion of our budget that remains. Our gross budget is over £920m (excluding Housing Services (HRA)) and we spend just over £2.2m a day on services to residents.
- 4.7. The Council has clear and strong long-term ambitions for Swansea and the proposals for savings must be seen in the context of the following:
- The Council's top 6 priorities and corporate plan for services to help deliver the well-being of future generations,
  - The application of the budget principles – which guides decision making
  - The ongoing and sustained real terms reduction in external funding and the need to meet known budget pressures.
  - All set within the context of the current cost of living crisis.
- 4.8. The Council's overall aim is to protect frontline delivery of services as far as possible. However, whilst many things are important, not everything can be a priority. It is important, therefore - particularly in the current climate of significantly stretched real term resources - to set out clearly our expectations on all services and relative priorities for funding in the context of the budget reductions that we face.

- 4.9. This requirement is illustrated sharply by the “gearing” effect of savings on services. In other words, if our current savings requirement (excluding schools) over three years was applied, for example, just to Place Services, the budget for this area would be wiped out. Consequently, other areas such as Education and Social Care also need to face some relative real terms level of reduction over the next 3 years, given the relative size of their budgets. Equally, however, if the level of funding for 2025/26 were to be sustained in every future year, then these planning assumptions could be very fundamentally reshaped, and savings asks reduced or possibly even eliminated.
- 4.10. A statement of budget priorities and policy statements that flow from this is set out in **Appendix A**. This statement follows an assessment of services in relation to the following criteria:
- **Invest:** Services where the Council will increase levels of investment
  - **Maintain:** services where the Council will broadly maintain current level of spend in the medium term
  - **Remodel:** those services where the Council will reduce the current level of spend over the medium term.

Regardless of relative funding levels, there is also an absolute requirement that **all services** must transform and strive for maximum efficiency.

#### **Potential Funding 2026/27 to 2028/29**

- 4.11. The Revenue Budget report detailed elsewhere on this agenda identifies possible savings for the 2025/26 financial year. Some of these proposals will generate further savings in future years and so will contribute to the future years’ savings requirement.
- 4.12. In addition, there are a number of service specific savings proposals that are being considered – it should be noted that these have not yet gone out to consultation, but will do so at the appropriate time.
- 4.13. These are detailed in Appendix B, but are shown in summary below:

	<b>Savings 2026/27 £'000</b>	<b>Savings 2027/28 £'000</b>	<b>Savings 2028/29 £'000</b>
<b>Future Year Impact of current (2025/26) proposals:</b>			
Corporate Services Total	85	99	113
Education Total	759	1,355	1,365
Finance Total	-310	-400	10
Place Total	1,475	2,352	3,034
Social Services Total	4,731	9,750	13,974
	<b>6,740</b>	<b>13,156</b>	<b>18,496</b>
<b>Future Proposals to be Considered:</b>			
Corporate Services Total	249	249	249
Education Total	0	200	200

Finance Total	0	0	0
Place Total	2,025	2,671	3,058
Social Services Total	2,450	3,900	5,350
	<b>4,724</b>	<b>7,020</b>	<b>8,857</b>
<b>Sub-total of Service Specific Savings (as per Appendix B)</b>	<b>11,464</b>	<b>20,176</b>	<b>27,353</b>
Schools*	0	183	763
<b>Total Savings</b>	<b>11,464</b>	<b>20,359</b>	<b>28,116</b>

\*Schools savings and pressures fall entirely to the delegated budgets and are shown separately as these are decisions for schools to take

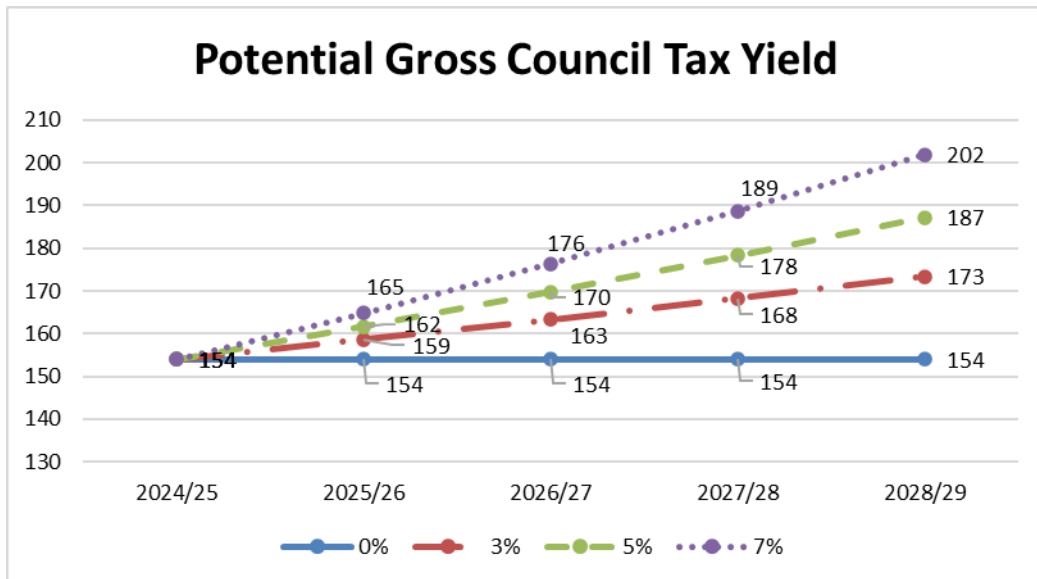
- 4.14. In addition to savings proposals, Council Tax levels must be considered as part of the MTFP. Budgeted gross council tax yield for Swansea for 2024/25 is £154,020,000, which we have rounded to £154 million. This remains the gross yield on Council Tax and it must be borne in mind that any Council Tax increases results in a corresponding increase in the local cost of the Council Tax Support Scheme, (which has been taken account of in the spending pressures above). The Council Tax Base has been assumed to increase for 2025/26.
- 4.15. Policy decisions on the level of Council Tax will of course remain a matter for full Council to determine on an annual basis and it is always relatively challenging to set out a published range of Council Tax options years in advance. Therefore, what follows can only be an indicative assumption to give a plausible range of planning scenarios, to aid the overall understanding of the financial plan.

It should be noted that lower tax increases in earlier years will (all other things being equal) result in higher increases in later years, and as the outlook is for lower settlements in future, persistent, high inflation and an immediate cost of living crisis, the timing of any rises must be weighted, and due regard given to the Well Being of Future Generations Act.

The following stylised planning assumptions are made:

- As in the past, there is no formal published upper limit to annual Council Tax increases and therefore no upper limit for planning assumptions, but for modelling purposes an upper limit of 7% is included,
- Given the sheer scale of spending reductions needed to set a future balanced budget it is considered equally implausible (albeit theoretically not impossible) that Council Tax levels will be cut. This provides a lower limit of 0% per annum,
- As middle ground options 3% and 5% are also modelled,
- The stylised assumption included for planning purposes is 6%.

The chart below demonstrates the different levels of Council Tax that could be expected under the different scenarios:



## 5. Summary of the Medium Term Financial Plan

5.1. The summary anticipated savings requirement over the period of the Medium Term Financial Plan is shown below and is extracted from the table shown at paragraph 3.3 of this report.

	<u>2026/27</u> £'000	<u>2027/28</u> £'000	<u>2028/29</u> £'000
<b>Cumulative Savings Requirement</b>	11,464	20,359	28,116

5.2. The assumptions surrounding the compilation of these figures are given in detail within the table at paragraph 3.3 above and, in particular, are heavily dependent on the assumption of an ongoing increase in AEF for each of the three years covered by the MTFP.

Clearly there is the risk of significant volatility in future years arising from:

- The cumulative effect of any variation in these assumptions in early years
- The uncertainty around assumptions surrounding the latter years.

5.3. Notwithstanding that position, in addressing the ongoing budget deficit, the Council has a number of actions that it can take in terms of achieving a balanced budget. These include:

- Realisation of future years' budget savings arising out of previously agreed savings and 2025/26 consultation proposals,
- Additional Directorate/Service Area targeted savings as detailed in paragraph 4.13 of this report,
- Potential rises in Council Tax levels, as estimated in paragraph 4.15.

5.4. Bringing these items together, and assuming a balanced position for 2025/26, the following indicative position is envisaged:

	<u>2026/27</u> <u>£'000</u>	<u>2027/28</u> <u>£'000</u>	<u>2028/29</u> <u>£'000</u>
<b><i>Cumulative savings requirement</i></b>	<b>11,464</b>	<b>20,359</b>	<b>28,116</b>
<b><i>Future year impact of current service savings proposals</i></b>	<b>-6,740</b>	<b>-13,156</b>	<b>-18,496</b>
<b><i>Future year proposals to be considered</i></b>	<b>-4,724</b>	<b>-7,020</b>	<b>-8,857</b>
<b><i>Schools savings</i></b>	<b>0</b>	<b>-183</b>	<b>-763</b>
<b><i>Remaining Gap at 1%, 2%, 3% AEF</i></b>	<b>0</b>	<b>0</b>	<b>0</b>

<b><i>Surplus at 4% AEF – which would be available to re-invest, reduce savings and/or lower council tax assumptions</i></b>	<b>14,600</b>	<b>17,500</b>	<b>26,900</b>
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- 5.5. In terms of addressing the overall budget, there are further options available to the Council that are not yet firm enough to be able to be included in the table above, but nevertheless are being worked through and considered for future inclusion.
- 5.6. These options include reviewing services and funding provided to schools, potential (but no commitment or decision yet to) inclusion of a Tourism Tax and potentially higher or lower than 6% increases to Council Tax. To some extent decisions around these proposals will also be reliant on the annual settlements received from the Welsh Government.
- 5.7. The Council will use the overarching Successful and Sustainable Swansea Transformation Programme when considering all options.

## **6. Medium Term Financial Planning for Schools**

- 6.1. The purpose of this section is to highlight the estimated effect of specific spending pressures and potential specific grant reductions on Schools' budgets in the light of funding assumptions detailed elsewhere in this report.
- 6.2. More specifically the Detailed Budget report to Council in respect of the 2025/26 Revenue Budget outlines the specific budget proposals for that year.
- 6.3. It is important to note that, given the size of the potential budget deficit facing the Council over the period of the MTFP, it is envisaged that Schools may be required to make some further contribution to savings targets during this period beyond that set out in budget 2025/26.
- 6.4. Aside from this, the Council will continue to prioritise education funding and spending pressures and take into account the extent to which these can be met on annual resources available and competing spending needs. It should



be noted that at present there is a contribution from Schools built into the budget for 2025/26 but only a small expectation of a further savings ask for the MTFP forecast to enable schools to broadly just about stand still in real terms, however to some extent this is only a planning necessary intention of the Council. If settlements prove lower a higher cash contribution will be required, If cost pressures are higher than assumed (e.g. higher unfunded pay awards) then a higher cash contribution will be required. If settlements prove higher than the central planning assumption for AEF then there may be some scope for modest real terms growth.

- 6.5. Our schools are in the privileged position of having the current highest collective reserves of any local authority in Wales. Funding is not distributed equally, however, and we see many authorities forecasting overall negative schools reserves already and consequently no ability to expect schools to make further budget savings without wholesale redesign. Whilst we are insulated short term from that impact, and we can rely on schools collectively to continue to spend some reserves in the short term, that position is not sustainable and it will provide a natural brake on the ability to expect further savings contributions. The clear aim is to support and protect schools in the short-term as much as possible, however the medium-term impact is that this will significantly impact Schools unless significant additional funding is forthcoming from the Welsh (and ultimately UK) Government.
- 6.6. It is essential that we continue to engage with Schools on a strategic review of provision as simply cutting budgets in real terms without otherwise doing so will simply not work.

## **7. Risks and Issues Implicit within the MTFP**

- 7.1. As stated throughout this report the financial risks facing the Council include:
- Assumptions around the core funding support from the Welsh Government being incorrect, particularly if overstated. This has become higher risk as the Welsh Government have not given any indication on future years funding.
  - Ongoing reductions in specific grants that require equivalent reductions in expenditure, often at short notice, which are both uncertain and unpredictable in terms of timing.
  - Delay or non-delivery of key savings strands which are essential to meet the projected service reductions identified in this report.
  - Significant further changes to Central Government fiscal policy with regard to the Public Sector.
  - The introduction of new legislation and statutory requirements that impose additional burdens on the Council.
  - The ongoing practical impact of legislation such as the Wellbeing of Future Generations (Wales) Act 2015.
  - The ongoing (and unknown) impact of the current cost of living crisis.
- 7.2. The table at paragraph 3.3 of this report outlining the potential budget shortfalls over the period of the MTFP contains a significant number of assumptions around future cost pressures, particularly with respect to pay

awards, which may have a significant cumulative effect if not settled at the levels indicated. This has the potential to change significantly the projected deficit towards the end of the planning period.

- 7.3. The assumptions contained within the plan specifically assume:
- The Council will deliver a balanced revenue outturn in respect of the current and future financial years and, to that extent, no deficits are identified that would require additional funding in future years.
  - The Capital programme is constrained to the extent that the maximum additional debt charges that are incurred (which should be considered temporary until capital receipts are achieved) do not exceed the sums included in the MTFP. In particular that any additional borrowing requirements in respect of aspirational capital development will be met from additional income generation from such schemes or a combination of funding from the public and private sector that evidences financial sustainability.
  - The Council continues to achieve its ambitious savings targets.
- 7.4. It is assumed that there will be substantive change to the structure of service delivery, including additional regionalisation of services. It is however far too early to financially quantify and describe those changes so they are explicitly excluded at present.

## **8. Use of Reserves**

- 8.1. The purpose of this section is to highlight the current planned use of General Reserves to support the 2025/26 Revenue Budget and to outline the relationships between known risks and earmarked reserves and its effect on planning assumptions. An analysis of the current position is given in paragraphs 8.3 to 8.8 below.
- 8.2. Conclusions and recommendations in respect of reserves usage are given in paragraph 8.9 below.
- 8.3. The current 2024/25 Revenue Budget was set with no planned use of General Reserves.
- 8.4. In terms of planning assumptions there is no assumption of ongoing use of or availability of General Reserves in 2025/26 or beyond.
- 8.5. Whilst the Council maintains a number of specific reserves, they are not factored into planning assumptions because they are either ring-fenced under statute or scheme of delegation (e.g. Schools' delegated reserves), or they are earmarked to meet known liabilities. (The exceptions to this are the already agreed use of the Capital Equalisation and Insurance Reserves for targeted capital investment).
- 8.6. In October 2024 Council received and approved a report which re-allocated earmarked reserves based on known changes to the risk profile of the

Council, and it is anticipated that a similar report will be taken on an annual basis.

- 8.7. Allowing this consideration outside of the annual budget process, and after previous year outturn is known, will give elected Members better opportunity to reflect on the level of General and earmarked reserves in line with the guidance detailed in paragraph 8.10 below.
- 8.8. In addition, various sections highlighted throughout this report refer to significant ongoing risk around current activities.
- 8.9. It remains the position that until these significant risks are fully mitigated then any additional planned use of earmarked reserves to support general revenue budget deficits would be inappropriate.**
- 8.10. On 12<sup>th</sup> January 2016 the Welsh Government issued guidance to Local Authority Members on matters to be taken into consideration when scrutinising the level of Local Authority Reserves held at any point in time. This has been circulated to all Members and any recommendation relating to the holding or release of reserves will be undertaken with reference to the principles underpinning best practice as issued by the Chartered Institute of Public Finance and Accountancy (and updated in March 2023) and this guidance.

## 9. Legal and Equalities Implications

### Legal Implications

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

### Integrated Assessment Implications

- 9.2. The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
  - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

- 9.3. 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'. Appendix D is a letter from the Future Generations Commissioner for Wales.
- 9.4. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language
- 9.5. The budget reductions implicit in the 2024/25 approved budget were subject to the corporate and appropriate Integrated Impact Assessment process, which was considered as part of the overall budget process.
- 9.6. Where additional budget savings requirements are identified as part of the 2025/26 and MTFP budget processes they will be subject to the integrated impact assessment process (including relevant consultation and engagement) as part of the budget considerations for those financial years.

**Background Papers:** None

**Appendices:**

Appendix A – Statement of Budget Principles and Service Budget Priorities

Appendix B – Savings Proposals

Appendix C – Integrated Impact Assessment Screening Form

Appendix D – Letter from the Future Generations Commissioner for Wales.

**Statement of Budget Principles and Service Budget priorities**

**GENERAL PRINCIPLES FOR ALL SERVICES**

1. A number of principles apply to all the Council’s services, regardless of the assessment of relative priorities. These are set out below.

**Budget Principles**

2. The Council has adopted a number of Budget Principles that underpin the budget strategy:

<i>Everything is included</i>	<i>Increased income</i>
<i>Engagement</i>	<i>Different models of delivery</i>
<i>We will have less money</i>	<i>Supporting those at risk</i>
<i>Demonstrating efficiency</i>	<i>Evidence base</i>
<i>Cutting Red Tape</i>	<i>Sustainable outcomes/prevention</i>
<i>Full cost recovery</i>	<i>Personal Responsibility</i>

All Services must apply and be consistent with these Budget Principles.

All Services are also required to address these Principles as part of business planning and developing savings proposals.

**Service Transformation and Efficiency**

3. There are expectations upon all Services in relation to transformation and efficiency, which must be met regardless of relative priority for funding:

<b>Transformation</b>	<p>All services must identify and progress transformation opportunities that will:</p> <ul style="list-style-type: none"> <li>• deliver better outcomes</li> <li>• develop a sustainable delivery model, fit for the future</li> <li>• reduce costs and secure value for money</li> </ul>
<b>Efficiency</b>	<p>All services must continue to strive for efficiency, in particular:</p> <ul style="list-style-type: none"> <li>• reduce management and other overheads</li> <li>• maximise opportunities for increasing income from charges, trading and external sources</li> </ul>

	<ul style="list-style-type: none"> <li>• reduce the cost of purchasing supplies and services</li> <li>• work with others to achieve better outcomes</li> <li>• look for opportunities for residents or community groups to take or share responsibility for services</li> </ul>
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#### 4. STATEMENT OF BUDGET PRIORITIES: SCHOOLS AND EDUCATION

Education is continuing to deliver a consistent and coherent budget strategy across delegated and non-delegated budgets.

Additional funding to schools supports anticipated pay inflation and goes as far as it is able to meet wider pressures, such as Additional Learning Needs (ALN).

Whilst recognising the priority given to Education, it is difficult to see how further significant savings can be made beyond 2026 without reductions in real terms in the Schools Delegated Budget.

Moreover, further significant cuts in the remaining non-delegated education budgets will have a direct impact on areas of pupil specific support and further reduce the support that can be provided to schools from the Education Directorate against a context of increasing demands and expectations.

Continued investment in digital infrastructure within schools remains a priority.

The review of the middle tier for school improvement in Wales means that regional delivery has been cut by at least 30% to ensure an appropriate balance between commissioned school improvement services and locally delivered services that focus on inter school purposeful collaboration.

A continuing move towards a different relationship between schools and the local authority is required, reflecting the challenges and opportunities presented by the national changes in curriculum and support for ALN. By its very nature, this is a long-term strategy. The future model for education provision includes:

- changing the way support for pupils is provided – more flexible earlier intervention and support, as local as possible;
- a consistent approach to support the needs of all pupils through an inclusion strategy focussing on participation, engagement and a sense of belonging;
- integrating and aligning services with other services, agencies and key delivery partners; and
- working more closely with schools on a community focused agenda, seeking to minimise transport costs and, wherever feasible, co-locate other services on school sites to aid sustainability (where revenue and capital funding streams are at least sufficient to cover the costs involved).

We will deliver this through:

- coherent revenue and capital strategies;
- clear local school improvement collaborative strategies;

- optimising the level of delegation of funding and responsibilities to schools to allow the greatest flexibility in the use of the available resources;
- implementing the changes that underpin the ALN Act;
- providing increasingly targeted specialist support;
- building further capacity in mainstream educational provision and specialist provision;
- facilitating more collaborative school-to-school support;
- ensuring commissioned regional support in key areas of education improvement;
- retaining an absolute core level of statutory and regulatory provision at the centre while acknowledging that grant monies are intended for additionality;
- recognising where prevention and early intervention services are needed to ensure cost avoidance in future;
- ensuring a full recovery of the costs of any support provided to schools above the core statutory minimum level;
- providing the minimum level of council 'match' funding required to fully access specific grants;
- aligning expenditure with key priorities;
- offsetting core expenditure with grant monies, only where it makes sense to do so; and
- avoiding financial contributions to support discretionary educational provision if it does not support future cost avoidance.

## **5. STATEMENT OF BUDGET PRIORITIES: SOCIAL SERVICES**

The Social Services Directorate have an established set of budget principles we have been working to for several years to help us manage significant and growing budget pressures. These have been agreed as;

- Maximise income (client, grant and recharge) and business efficiency
- Minimise management cost/ overheads
- Implement most cost-effective workforce mix
- Implement most cost-effective models of care at both a service level and for individual recipients of care
- Prioritise delivery of a safe statutory offer
- Minimise cuts to prevention/ early help where there will be obvious increased recourse to more expensive statutory provision
- Delivery of grant funded services must be contained within grant envelope

These have been applied when developing Service Target Operating Models (TOMs) across the directorate aligning to the Medium Term Financial Plan.

The long-term impact of covid and the cost of living crises on the health and wellbeing of our population is now presenting, leading to increased cost pressures across the Social Services Directorate.

Over the past 2 years the Directorate has been unable to meet the financial planning assumptions set out within the Council's MTFP without in year mitigating actions including a draw on reserves.

An all-Wales analysis of the gap between the cost to Councils of meeting existing levels of demand for social care and the resources available will rise to c£600m over the next few years.

These funding pressures will be exacerbated by additional reductions in grant income or sustained flat grant allocation which currently fund the bulk of the Directorate's prevention and early help offer.

Nevertheless, the overall strategy to implement a more cost effective early, help, prevention and wellbeing approach across the Directorate albeit within a reduced financial envelope remains the optimal approach both in terms of supporting the safeguarding and wellbeing of our population and maintaining financially sustainable services.

In that context the priorities for Adult Services have been defined as; 'Working alongside people to live well and safely in our community'. To deliver a strategic transformation programme and a target operating model through, Prevention, Promoting independence, and Prioritising resources so that;

- More people supported earlier to live well and as independently as possible for longer.
- Carers supported in their caring role.
- People are able to access the right support at the right time when needed.
- Those receiving managed care, *having less* and for shorter periods.
- Staff feel valued and have manageable workloads.

Child and Family Services ambitions to be delivered through a strategic transformation programme and a target operating are;

- More families supported earlier
- Less children needing statutory intervention
- Less children in care
- Children in care for shorter periods of time
- Children and families able to live their best lives together
- Staff feel valued and have manageable caseloads
- Less dependency on grant funding
- Minimal staff vacancy levels

Both areas are supported by cross cutting Enabling Communities approaches seeking to further embed tackling poverty and prevention approaches promoting strengths-based approaches to working with and in communities.

The cross-cutting business functions of the directorate underpin our budget strategy and principles through;

Economy: minimising the cost of resources used or required – spending less.

Efficiency: the relationship between the output from goods or services and the resources to produce them –spending well;

Effectiveness: the relationship between the intended and actual results of public spending – spending wisely.



## **6. STATEMENT OF BUDGET PRIORITIES: PLACE SERVICES**

For the Place Directorate 2024/25 has been another challenging year as a result of ongoing pressures arising as part of the post pandemic legacy and as a consequence of the cost of living crisis. These have seen further increases in demands for services across the Directorate and a continued impact on reduced / slow to recover income streams many of which will continue through into 2025/26. Continued efforts are being made to manage demand and budgetary pressures and this has been reflected in the budget setting process. Pressures are not expected to reduce in the medium term, but the proposed settlement will allow continued investment in many of its front line “place based” services positively impacting on the environment and communities the Council serves. The main areas of priority are:

- Prioritisation of key corporate objectives including the continued regeneration of the City Centre, delivery of the city deal and its biodiversity and climate emergency/ Net Zero objectives,
- The continued operation of Swansea Arena and other attractions, opening of the Kingsway digital village project and facilitation of the Phase 2 city centre development and other strategic sites with our strategic development partners,
- Delivering on a range of ongoing actions arising out of the Council’s local and Regional Economic Delivery Plans with particular focus on the economy, facilitating private sector investment and tourism,
- Maximise commercial opportunities and income generation for services and assets to offset income losses,
- Seek opportunities for community involvement in the delivery of services and community enablement,
- Invest where necessary to maintain vital services including front line delivery of environmental services,
- Work within the affordability of the housing revenue account to increase the speed of delivery of the more council homes and continue investment to maintain and improve the existing stock,
- Adequately resource the significant council wide capital programme including highways, infrastructure and new schools and respond to the current recruitment challenges to aid delivery,
- Seek to manage the ongoing significant rise in demand for homelessness services by delivering on the Councils’ homelessness strategy,
- Seek to maximise the success of grant bids maximising the beneficial use of council resources,
- Grow the capacity to support local businesses and suppliers through the circular economy principles and maximise the support available for inward investment,
- Working regionally with colleagues to finalise and put into delivery the South West Wales Regional Transport Plan.

## **7. STATEMENT OF BUDGET PRIORITIES: CORPORATE SERVICES**

The Corporate Services Directorate plays a vital role in ensuring the council operates efficiently and effectively. We provide critical support across Human Resources, digital technology, communications, and legal and democratic

services, enabling the organisation to deliver high-quality services for residents.

We are at the heart of the council's strategic and operational success, driving digital transformation, strengthening governance, and ensuring the workforce, systems, and processes are in place to meet future demands. As local government faces increasing financial pressures, rising service demands, and rapid technological change, our role in maintaining a resilient, agile, and high-performing organisation has never been more critical.

Building on our strong foundations, our budget priorities for 2025-28 are to:

- Maximise the potential of Artificial Intelligence (AI) and automation to improve customer experience, streamline processes, and drive efficiency.
- Develop and maintain a skilled and resilient workforce, ensuring we attract, retain, and grow talent while preserving critical corporate knowledge and expertise.
- Embed a values-driven organisational culture, fostering collaboration, innovation, and accountability to enable staff to excel.
- Prioritise staff wellbeing and engagement, supporting a motivated, high-performing, and adaptable workforce.
- Streamline our transactional services, such as payroll and accounts payable/receivable, to enhance accuracy, speed, and user experience.
- Maintain industry-leading cyber and data security, ensuring our systems and information are robust, protected, and future-proof.
- Strengthen data and records management, enabling better decision-making and efficient service delivery.
- Harness all media channels to connect with diverse communities, including those traditionally harder to reach.
- Drive digital transformation and corporate governance excellence, ensuring the organisation remains agile, efficient, and well-prepared for future challenges.

## **8. STATEMENT OF BUDGET PRIORITIES: FINANCE**

The Finance Directorate will deliver high quality and cost effective core services, supporting frontline service delivery and achieve better outcomes for our residents, customers and visitors, as well as leading on the General Power of Competence (GPOC) and commercialism agendas.

The Finance Directorate supports the political and managerial leadership of the council to set the strategic direction and enable the organisation to deliver it, responding to external challenges especially financial pressures and changes in the operating environment.

To be able deliver the above our focus must be to:

- Strategically manage the revenue and capital finances of the whole Council having due regard to the medium and longer term and the

Wellbeing of Future Generations as well as the immediate and forthcoming budget cycles.

- Manage demand for financial support services by supporting the workforce to have the right skills for the future, particularly managers
- Focus on the priorities within the functions of the corporate financial centre such as financial control, financial advice, control of Council Tax and benefits, and commercial capability.
- Look for opportunities for collaboration and co-production models with other organisations and partners, in order to maintain support services as efficiently as possible

To continue to evolve the services as the operating environment changes to ensure we can be agile and responsive to change

**Part 1 – Savings Proposals**

Director/Head of Service	Savings Description	Transformation Project	2026/27 £'000	2027/28 £'000	2028/29 £'000
<b>Future Year Impact of Current (2025/26) Proposals</b>					
Corporate Services - Communication, Corporate Planning and Performance	Review and reshape policy and performance support provided to services.	Business as Usual	50	50	50
Corporate Services - Digital and Customer Services	Reduction in ICT contract costs	Business as Usual	20	20	20
Corporate Services - HR & Service Centre	Pay inflation increase to Workforce and OD Service Level Agreement with Swansea schools	Business as Usual	12	23	34
Corporate Services - Legal & Democratic Services	Pay inflation increase to Legal Service Level Agreement with Swansea schools	Business as Usual	3	6	9
Education - Non-delegated	Core staff costs offset by grant	Business as Usual	679	1,245	1,245
Education - Non-delegated	Cost recovery of project officers for capital schemes	Right Schools in Right Places	10	20	20
Education - Non-delegated	Reduce cost centre for historical pensions	Business as Usual	10	20	30
Education - Non-delegated	Increase charges for Catering service and SLA for schools	Business as Usual	50	50	50
Education - Non-delegated	Increase Cleaning SLA charges for schools	Business as Usual	10	20	20
Finance - Directorate	Miscellaneous budget reductions/efficiencies	Business as Usual	-310	-400	10
Place - Building Services & Waste	Additional income generation through significantly increased work programme	More Homes Programme, WHQS2 / Decarbonisation and Right Schools in Right Places	400	600	1,000
Place - Building Services & Waste	Income from the new Extended Producer Responsibility scheme for packaging to assist further reduction in residual waste	Future Waste Strategy	100	100	100
Place - Building Services & Waste	Reconfiguration of waste collection arrangements to maximise incentive for residents to recycle based on achieving a long-term target total of 10% reduction in residual waste	Future Waste Strategy	100	100	100

Director/Head of Service	Savings Description	Transformation Project	2026/27 £'000	2027/28 £'000	2028/29 £'000
Place - Cultural Services, Parks & Cleansing	Council support to Friends of Oystermouth Castle to be absorbed in wider community support service, tourism and asset management responsibilities to reflect how we work with city wide operational attractions. Grants/ fundraising to be assigned where specific projects demand this.	Business as Usual	22	22	22
Place - Cultural Services, Parks & Cleansing	Monitor and continuously review income targets across the service fees and charges, to reflect and include inflation alongside stretch targets in response to market demand; requirement for investment and improvements from grants to be reflected in stretch targets to support continuous service demand and improvements. Explore additional attractions through grant funded feasibility studies.	Business as Usual	15	20	25
Place - Highways & Transportation	Additional income from Parking Enforcement camera car	Business as Usual	50	50	50
Place - Highways & Transportation	Annual review and updating of pricing tariffs for car parking	Business as Usual	200	400	600
Place - Highways & Transportation	Increase charges and income from Marina and Knab Rock by average of 5% or in line with market conditions	Business as Usual	20	40	60
Place - Highways & Transportation	Increase street works and licencing fees annually in line by 5%	Business as Usual	25	50	75
Place - Highways & Transportation	Review of ALN transport - minibus pilot	Transforming Additional Learning Needs	25	50	50
Place - Housing & Public Health	Deletion of vacant posts in Registrars	Business as Usual	38	38	38
Place - Housing & Public Health	Increase fees for burials and Cremations by 5%.	Business as Usual	217	217	217
Place - Housing & Public Health	Increase fees for registrars by 5%.	Business as Usual	36	36	36
Place - Housing & Public Health	Increase Food Safety and Trading Standards Fees	Business as Usual	2	2	2
Place - Housing & Public Health	Increase in Fees for next 3 years Building Control (in accordance with Land Authority Building Charges Regulations 2010)	Business as Usual	26	50	75

<b>Director/Head of Service</b>	<b>Savings Description</b>	<b>Transformation Project</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Place - Housing & Public Health	Increase pest control fees for schools' contract and general pest control in line with full cost recovery principles	Business as Usual	2	2	2
Place - Housing & Public Health	Increased charges to Swansea Bay Port Health Authority	Business as Usual	8	16	23
Place - Place (Directorate)	New income streams from developing a strategy for Caravan and Motorhome parking	Business as Usual	25	25	25
Place - Planning & City Regeneration	Increase Land Charges Income	Business as Usual	5	5	5
Place - Planning & City Regeneration	Increase Planning Fee Income	Business as Usual	50	50	50
Place - Planning & City Regeneration	Review Nature Conservation, Regeneration, Economic Development, & Planning sections	Business as Usual	50	50	50
Place - Property Services	Revised structure arrangements due to reduced requirements as a result of asset reduction	Business as Usual	59	429	429
Social Services - Adult Services	Commission 5% per annum less no. of hours of externally commissioned domiciliary care (all cohorts of the population)	Adult Services Transformation	1,200	2,400	3,600
Social Services - Adult Services	Maintain the current number of externally commissioned residential and nursing care placements for older people with reduced average length of stay of 2.5% per annum	Adult Services Transformation	925	1,850	2,075
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% per annum reduction in care	Adult Services Transformation	600	1,200	1,800
Social Services - Adult Services	Maintain the current number of Younger Adults and Learning Disability externally commissioned residential placements and review support package to reduce cost by 2.5% per annum	Adult Services Transformation	195	390	585
Social Services - Adult Services	Reduce the costs of in-house homecare (domiciliary care) provision by 3% per annum by increasing case loads	Adult Services Transformation	250	500	500

Director/Head of Service	Savings Description	Transformation Project	2026/27 £'000	2027/28 £'000	2028/29 £'000
Social Services - Adult Services	Reduce the costs of in-house residential care provision by 3% per annum by increasing occupancy and maximising partner and client income contribution	Adult Services Transformation	250	500	500
Social Services - Adult Services	Reduce the number of Mental Health externally commissioned residential placements and reduced support packages by 2.5% per annum and replace with community-based support to promote independent living	Adult Services Transformation	175	350	525
Social Services - Child & Family	Reduced numbers of residential (including supported accommodation) placement weeks for independently commissioned care with a reduction of placements. Aligning with Eliminate Agenda.	Child and Family Services Transformation	676	1,690	3,042
Social Services - Child & Family	Fostering – Only apply an inflationary uplift for in-house fostering allowances in line with the National Minimum Allowance	Child and Family Services Transformation	125	200	335
Social Services - Child & Family	Reduced numbers of fostering placement weeks independently commissioned with a reduction of IFAs placements. Aligning with Eliminate Agenda.	Child and Family Services Transformation	130	260	390
Social Services - Child & Family	Special Guardianship Orders – Only apply an inflationary uplift in allowances for SGO carers and adopters	Child and Family Services Transformation	25	50	82
Social Services - Cross Directorate	Ensure all back-office processes are as business efficient as possible, which will mean reducing costs over all staffing costs through natural vacancies	Business as Usual	100	200	300
Social Services - Cross Directorate	Review senior management structure	Business as Usual	80	160	240
<b>Future Year Impact of Current (2025/26) Proposals Total</b>			<b>6,740</b>	<b>13,156</b>	<b>18,496</b>
<b><u>Future Proposals to be Considered</u></b>					
Corporate Services - Digital and Customer Services	Contact Centre support and maintenance contract saving	Digital transformation Programme	40	40	40
Corporate Services - Digital and Customer Services	Reduction in Mobile Phone costs	Digital transformation Programme	4	4	4

<b>Director/Head of Service</b>	<b>Savings Description</b>	<b>Transformation Project</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Corporate Services - HR & Service Centre	Review of Service Centre staff structure	Digital transformation Programme	205	205	205
Education - Non-Delegated	Enhance in County provision reducing out of county costs	Transforming Additional Learning Needs	0	200	200
Place - Cultural Services, Parks & Cleansing	Develop a new community hub model with Y Storfa as the key Hub and larger libraries accommodating other services' activities as part of a shared cost model. Library service to structure its staffing, pay grades and offer to reflect opportunities for progression/ service improvements as a result.	Future Community Hub Model	0	150	150
Place - Property Services	Reduction of service asset portfolio due to service reductions - savings on premises costs	Regeneration Programme	0	300	300
Place - Cultural Services, Parks & Cleansing	Review service team roles and responsibilities in line with self management arrangements, leasing and community support requirements. Seek grant funding to support staffing requirements for dedicated projects.	Business as Usual	0	50	50
Place - Cultural Services, Parks & Cleansing	Continue to explore the opportunities for partnership and leasing arrangements for St Helens subject to income generation for the Council and betterment for the community.	Business as Usual	50	50	50
Place - Cultural Services, Parks & Cleansing	Sports and Health team structures to be reviewed in line with outdoor leisure, community support and grant funding availability. Staff to be recharged to grant funded programmes wherever criteria allows.	Business as Usual	0	50	50
Place - Planning & City Regeneration	Fee income from capital projects in City Regeneration to offset revenue costs	Regeneration Programme	24	24	24
Place - Directorate	To assist with slippage and management of changing operational pressures in future years	Business as Usual	-99	-430	-541
Place - Planning & City Regeneration	Service Management Review & Restructure	Business as Usual	0	96	96
Place - Property Services	Depot rationalisation	Business as Usual	0	150	220



<b>Director/Head of Service</b>	<b>Savings Description</b>	<b>Transformation Project</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Place - Highways & Transportation	Depot rationalisation	Business as Usual	0	0	250
Place - Housing & Public Health	Service Restructure in Bereavement Services	Business as Usual	14	14	14
Place - Housing & Public Health	Implementation of Vacancy Management Provision	Business as Usual	28	28	28
Place - Housing & Public Health	Pest control - implement new charging options	Business as Usual	0	0	61
Place - Planning & City Regeneration	A review and refocussing of the City Centre Ranger Service	Business as Usual	4	58	58
Place - Cultural Services, Parks & Cleansing	Wales National Pool Swansea - New Operating Model / Swansea Bay Sports Park	Business as Usual	4	81	148
Place - Cultural Services, Parks & Cleansing	National Waterfront Museum Swansea - New Target Operating Model	Business as Usual	0	50	100
Place - Place (All Services)	Reduction in Energy Costs as prices start to fall (deferred a year)	Business as Usual	2,000	2,000	2,000
Social Services - Adult Services	Reduce the uplift paid to external commissioned care providers below what is required to cover the costs of real living wage and other inflationary costs for the next 4 years as a policy decision	Adult Services Transformation	1,450	2,900	4,350
Social Services - Adult Services	Amend domiciliary care contract framework to only pay providers for actual care delivered rather than planned delivery of care, with the addition of a call out charge.	Adult Services Transformation	1,000	1,000	1,000
<b>Future Proposals to be Considered Total</b>			<b>4,724</b>	<b>7,020</b>	<b>8,857</b>

## **Part 2 – Service Pressures and Investment**

<b>Director</b>	<b>Head of Service</b>	<b>Description</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Corporate Services	HR & Service Centre	Change of delivery model for National Pool will result in loss of Service Centre Service Level Agreement income	20	20	20
Corporate Services	Legal & Democratic Services	Elections system - Modern Democracy	0	0	80
Corporate Services	Legal & Democratic Services	Cost of running elections	0	50	50
Corporate Services	Legal & Democratic Services	Increase to Councillors costs due to IRPW Report	75	150	150
Education	Non-Delegated	Regional School Improvement Service Charges	15	29	29
Finance	CTRS	CTSS base growth effects at 20%	200	400	600
Place	Building Services & Waste	Renewable Obligation Certificate (Landfill Gas Subsidy Removal)	0	240	240
Place	Highways & Transportation	Parking Offer / Income (Highways)	50	100	100
Place	Highways & Transportation	Emissions Trading Scheme (Tax from 28/29)	0	0	1,000
Place	Housing & Public Health	Poor Income Recovery Housing and Public Health (Cems)	-71	-79	-79
Social Services	Child & Family	New burdens Child & Family (Eliminate Agenda)	2,500	5,000	7,500
Social Services	Cross Directorate	Extra Directorate Pressures in addition to what is included above with 5% CPI added for coming years	250	500	500
<b>GRAND TOTAL</b>			<b>3,039</b>	<b>6,410</b>	<b>10,190</b>

## Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

### Which service area and directorate are you from?

Service Area: Accountancy

Directorate: Finance

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

### (b) Please name and fully describe initiative here:

## Medium Term Financial Planning 2026/27 to 2028/29

Service and financial planning continues to be undertaken against a backcloth of increasing service pressures and demand. Again this year there is added pressure and uncertainty as we deal with a cost of living crisis and uncertain inflation levels. This has affected short-term planning and is expected to continue impact the budget in the medium term.

- The Medium Term Financial Plan (MTFP) is an overarching strategy that:
- Covers three future years.
- Forecasts future known additional spending requirements, likely resources and potential funding shortfalls.
- Links to the Council's adopted transformation programme 'Transformation Strategy 2022-2027 and Beyond – Successful and Sustainable Swansea' as a means of addressing future budget shortfalls.
- Links to the Council's revised Corporate Plan, "Delivering a Successful and Sustainable Swansea" and the delivery of our top 6 priorities.
- Has due regard to our duties under the Well-being of Future Generations Act 2015.

Future detailed Service planning will need to be undertaken within the financial assessments and forecasts contained within the Medium term Financial Plan.

**It is important to understand that the MTFP does not constitute a formal budget in respect of the period 2026/27 to 2028/29 and as such the indicative annual assumptions included both within the projected spending pressures detailed in Sections 2 and 3 of this report, and the potential funding detailed in Sections 4 and 5, will be subject to a full review and decision making process as part of each of the annual Revenue Budget and Council Tax setting decisions.**

Instead, the MTFP is intended to outline, in broad terms, the specific service and funding issues over the three year period and how the Council will, within its financial constraints, fund its priorities and achieve major service change and savings.

It is essential as a planning and review tool in order to assess, on an ongoing basis, base assumptions around service pressures and progress against delivery of savings.

The plan serves to highlight the trend for increasingly uncertain times ahead in terms of funding for this Council and Local Government in general, as well as the service pressures that the Council faces from rising demands and increases in demography, together with potential funding pressures arising from ambitious plans for capital development.

Importantly, it is essential that the MTFP is a 'living' document that is subject to regular review and revisions as more information becomes available and risks are updated. As such, it is anticipated that, along with close monitoring of the specific budget proposals and savings targets for 2025/26, further reports to Cabinet regarding the MTFP will be made as necessary. In particular, the Mid Term Budget Statement in the autumn of 2025 will provide a key update on the financial outlook and delivery of savings.

## **GENERAL PRINCIPLES FOR ALL SERVICES**

A number of principles apply to all the Council's services, regardless of the assessment of relative priorities. These are set out below.

### **Budget Principles**

The Council has adopted a number of Budget Principles that underpin the budget strategy:

<i>Everything is included</i>	<i>Increased income</i>
<i>Engagement</i>	<i>Different models of delivery</i>
<i>We will have less money</i>	<i>Supporting those at risk</i>
<i>Demonstrating efficiency</i>	<i>Evidence base</i>
<i>Cutting Red Tape</i>	<i>Sustainable outcomes/prevention</i>
<i>Full cost recovery</i>	<i>Personal Responsibility</i>

All Services must apply and be consistent with these Budget Principles. All Services are also required to address these Principles as part of business planning and developing savings proposals.

## Service Transformation and Efficiency

There are expectations upon all Services in relation to transformation and efficiency, which must be met regardless of relative priority for funding:

<b>Transformation</b>	<p>All service must transform through a fundamental review of purpose, however services are commissioned, to:</p> <ul style="list-style-type: none"> <li>• deliver better outcomes,</li> <li>• develop a sustainable delivery model, fit for the future,</li> <li>• reduce costs and secure value for money.</li> </ul>
<b>Efficiency</b>	<p>All services must continue to strive for efficiency, in particular:</p> <ul style="list-style-type: none"> <li>• reduce management and other overheads,</li> <li>• maximise opportunities for increasing income from charges, trading and external sources,</li> <li>• reduce the cost of purchasing supplies and services,</li> <li>• work with others to achieve better outcomes,</li> <li>• look for opportunities for residents or community groups to take or share responsibility for services.</li> </ul>

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

	High Impact		Medium Impact		Low Impact		Needs further Investigation	No Impact
	+	-	+	-	+	-		
Children/young people (0-18)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Older people (50+)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Any other age group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Future Generations (yet to be born)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race (including refugees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Asylum seekers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or (non-)belief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Poverty/social exclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community cohesion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Human Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The impact will be different for each service and will be assessed as part of our IIA process.

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?**  
Please provide details below – either of your activities or your reasons for not undertaking involvement

Consultation will take place annually as part of the revenue budget annual process. The Medium Term Plan is a planning tool and not a formal budget, all parts of the Plan are subject to a full review and decision making process as part of the annual Revenue Budget decisions.

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**Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?  
Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
Yes  No
- c) Does the initiative apply each of the five ways of working?  
Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
Yes  No

**Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

High risk

Medium risk

Low risk

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**Q6 Will this initiative have an impact (however minor) on any other Council service?**

Yes  No If yes, please provide details below

The plan is for the whole of the Council as such all services are impacted

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**Q7 Will this initiative result in any changes needed to the external or internal website?**

Yes  No If yes, please provide details below

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**Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

*(You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is*

*disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.)*

The impact of the Medium Term Financial Plan will be fully considered as part of the engagement and consultation process undertaken each year as part of the Revenue Budget decision making process. The Plan itself is a planning tool only and doesn't constitute a formal budget.

## Outcome of Screening

**Q9 Please describe the outcome of your screening using the headings below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

The budget reductions implicit in the 2023/24 approved budget were subject to the corporate and appropriate Integrated Impact Assessment process, which was considered as part of the overall budget process.

Where additional budget savings requirements are identified as part of the 2024/25 and MTFP budget processes they will be subject to the integrated impact assessment process (including relevant consultation and engagement) as part of the budget considerations for those financial years.

(NB: This summary paragraph should be used in the '**Integrated Assessment Implications**' section of corporate report)

Full IIA to be completed

Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

<b>Screening completed by:</b>
<b>Name: Sarah Willis</b>
<b>Job title: Group Accountant – Corporate and Strategy</b>
<b>Date: 03/02/2025</b>
<b>Approval by Head of Service:</b>
<b>Name: Ben Smith</b>
<b>Position: Director of Finance and Section 151 Officer</b>
<b>Date: 03/02/2025</b>

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)