



**To/
Councillor Rob Stewart
Cabinet Member for Economy and
Strategy**

BY EMAIL

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Overview & Scrutiny

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19 March 2020

Summary: This is a letter from the Service Improvement and Finance Performance Panel to the Cabinet Member for Economy and Strategy. The Panel met on 2 March 2020. This letter relates to Budget Monitoring for the 3rd Quarter of 2019/20 and the Wales Audit Office Report on the Local Government Use of Data.

Dear Councillor Stewart,

On the 2 March, the Panel met to discuss the Budget Monitoring for the 3rd Quarter of 2019/20 and the Wales Audit Office Report on the Local Government Use of Data. The Panel are grateful to Cabinet Members Councillors Clive Lloyd and David Hopkins and to those officers who attended to provide information and answer questions.

Budget Monitoring for the 3rd Quarter of 2019/20

We heard about the directorate position and the forecast variance of £434k for 2019/20, which is showing a substantial improvement. That three out of the four directorates are showing an underspend but we still have some challenges within Education Directorate. However, we heard that some offsetting opportunities do exist and there are further inroads being made to ensure service budgets are back in line for 2019/20.

We did express concern that the Place Directorate is showing an underspend, especially, when there is pressure on highways maintenance and difficulty in getting repairs done. We also queried the increased electricity costs for street lighting, which seems to be recurring, rather than appearing as a one-off budget pressure. We noted the reduced recycling prices in waste management are contributing to income shortfall. The Chief Finance Officer confirmed that the recycling market has become weaker, not just for plastics but metals also and there has been slow-down in other parts of the world.

OVERVIEW & SCRUTINY / TROSOLWG A CHRAFFU

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We heard that it is too early to provide an accurate forecast as to potential outturn on corporate items such as Council Tax collection. We recognise that these will potentially be effected by welfare reform measures. We heard that welfare reform is in early stages but does represent a risk; in 2018/19, we posted a deficit on the collection fund, which was unusual for the Council. Budget assumptions also assume slight deficit.

We discussed early retirement and voluntary redundancy costs, hearing that it is currently not expected to exceed the balance on the restructure reserve of £3m. It was noted that in the past it has been higher (e.g. £7m) where the use of contingency fund became necessary. However, the Council will incur costs that will eat into the £3m so we will need funding to top it back up to £3m. In-year costs thus charged to contingency were expected to be zero, so nothing over and above sums already set aside.

Wales Audit Office (WAO) Report on Local Government Use of Data

We were pleased to hear about the recognition and importance for the Council to manage data effectively, and also recognise that it is key for Swansea to develop a specific Data Strategy, as recommended by Wales Audit Office. We heard that this will help the Council to address the issues highlighted within the audit, and have a clear way forward across the four areas of Vision; Leadership and Culture; Data Protection; Skills and Capacity; Evidence-based Decision Making. Whilst there are existing strategies, which encompass data and information we agreed that an overall strategy and vision for the Council's use of data should be developed to provide a framework for considering subsequent actions. We heard that an Action Plan has been developed in response to the 11 Wales Audit Office recommendations. It was felt the Action Plan could have more detail around implementation timescales including when the Data Strategy will be prepared. We heard that this Digital Strategy is currently being prepared and pre-decision scrutiny on this will be welcomed in due course.

We queried the WAO recommendation around the Council setting data reporting standards to ensure minimum data standards underpin decision-making. We felt that exactly how we would identify minimum standards and what they would look like was a difficult area, which will need to be unpicked. We also had some concern about the resourcing to undertake this work. We were told that the Council would work with the Auditor and other Councils to identify good practice in data reporting but the Council was at relatively early stages of thinking on this. We were pleased to hear that there was a whole-Council approach to data, with everyone having responsibility and being involved.

We discussed the WAO view that the Council should review the range and quality of information needed by decision-makers to support evidence-based decision-making. We had some concerns that the Audit raised questions about whether the Council uses data to inform decisions and whether it is thoroughly embedded within the culture of the Authority. We will be interested to see how this is addressed in the Action Plan and Strategy moving forward.

We were interested to hear about the Swansea Account project and heard that the WAO proposes that Council's use as the integrated secure online citizen/business account, where all information and services received can be viewed in one place (similar to dealing with any other organisation, e.g. utility companies, banks). We queried whether libraries would be part of that account. We heard that this is an option that will be looked at, although a lot of research and development is still to be done on this project including what technology can do for us. We understand things are at a very early stage.

We had specific questions that were raised in response to this report that we want to follow up upon, these include whether the Council sells any data; and who the Council shares data with and what are our responsibilities around sharing? We understand that data mining is a massive issue and that the Council collects a huge amount of data including sensitive information such as medical information.

We welcome your comments on any part of this letter but can you please provide us with a written response to the following points by Thursday 9 April 2020.

1. Whom the Council shares data with?
2. What are our responsibilities around data sharing?

Yours sincerely,



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