



City and County of Swansea

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

Remotely via Teams

Monday, 9 November 2020 at 10.00 am

Present: Councillor C A Holley (Chair) Presided

Councillor(s)

P M Black
L James
J W Jones

Councillor(s)

P Downing
M H Jones
B J Rowlands

Councillor(s)

P R Hood-Williams
P K Jones
D W W Thomas

Other Attendees

Mark Thomas

Cabinet Member - Environment Enhancement & Infrastructure Management

Officer(s)

Adam Hill
Chris Howell
Ben Smith
Emily-Jayne Davies
Michelle Roberts

Deputy Chief Executive / Director of Resources
Head of Waste Management
Chief Finance Officer / Section 151 Officer
Scrutiny Officer
Scrutiny Officer

Apologies for Absence

Councillor(s): I E Mann

1 Confirmation of Panel Convener

The Panel agreed that Cllr Chris Holley would be re-appointed as Convener.

2 Disclosure of Personal and Prejudicial Interests.

No disclosures of interest were made

3 Prohibition of Whipped Votes and Declaration of Party Whips

No declarations were made.

4 Minutes

The Panel considered letters and minutes from previous meetings and agreed the minutes of the meeting on 21st September 2020 as an accurate record of the meeting.

5 Public Questions

No questions were submitted by members of the public.

6 Q1 Budget Monitoring Report 2020/21

7 Review of Revenue Reserves

8 Mid Term Budget Statement (Verbal)

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

- Revenue and Capital Budget Monitoring Report Q1 2020/21 tries to bridge the normal budget reporting style for Q1 and the wider challenges of Covid-19.
- Recommendation 3 is unusual - to draw such sums as £10m from reserves, however, this is consistent with accepted advice to Council.
- Council Tax arrears at the end of 2019-20 was £4.7m and the cumulative total is nearer £10m.
- Expectations are for a £2.5m shortfall in council tax this financial year.
- The Chief Finance Officer confirmed he is confident will nevertheless be in a position to balance the overall budget.
- Projected £16m overspend in the Place Directorate
- Swansea Council is unusual in that it owns much of the city centre land following the Second World War, therefore the largest commercial landlord in the city centre.
- Business grants of £53m were distributed during Q1, and continue into Q2.
- Officers expect the Q2 report to indicate the service over spend is down, reflecting the realisation of more grants.
- Panel queried whether Welsh Government would cover the Council Tax shortfall (Q1) and the £10m over spend. It remains uncertain as to whether any of this can be reimbursed.
- Cardiff University is keeping track of sums allocated via UK and Welsh Gov funding streams for Welsh Local Government as a whole.
- Panel queried whether the Council is at risk of any fines and penalties (for example over waste and recycling). Early indications are that Welsh Gov are sympathetic and unlikely to impose such fines but will look at it on a case by case basis.
- Panel drew attention to the Housing Revenue Account (HRA) not being adversely affected during Q1.
- The Chief Finance Officer emphasised that general fund reserves remain at the minimum safe level and are at the lowest they can be in his opinion.

9 Recycling and Landfill - Annual Performance Monitoring Report 2019/20

The Panel thanked the Cabinet Member and the Waste Services Manager for presenting the report and answering their questions. It was noted:

- At the end of March 2020 the 64% recycling target was met; an increase of 2.1% from the previous year.

- 2000 tonnes of waste avoided landfill, likely due to success of Keep It Out campaign.
- Swansea mostly utilises landfill. Most other authorities send all their non-recyclable waste to incineration.
- If incinerated, can claim up to an extra 6% recycling rate that is accounted for by recycling tonnage from the residue ash produced.
- Concerns raised over potential impact on climate change and Co2 emissions from waste incineration.
- The only available, realistic, option currently is incineration.
- Looking at other options as there are constantly new technologies being developed, although none are available to us at this time.
- Likely that the Council will therefore take a short-term contract for incineration, and then move towards other newer market options and methods as they become available.
- The recycling target of 64% may not be met this year (2020/2021). This situation is affecting all councils in Wales.
- We can attribute shortfalls to the impact of Covid-19.
- Not expecting any fines or penalties and understand that Welsh Government are sympathetic to this situation.
- Sites are now open and a booking system is now in place at Llansamlet.
- Black bag disposal can resume before the end of this financial year.
- Long-term strategy needs to be centred on re-use rather than disposal. 'Energy from waste' is the best option currently.
- The Council is looking at a balance of an affordable available solution with flexibility to move into emerging technologies as and when they become available
- A new round of the waste trainee scheme has started, and the Keep It Out campaign will be reinvigorated.
- Income here has been hit significantly. 90% of businesses closed so did not require commercial collections. A claim has been submitted to Welsh Government for reimbursement.
- Every outfit utilised for waste disposal is registered with UK regulators.
- This is a verified process and any company who we contract is regulated by NRW, who check on compliance.

10 Planning the Service Improvement and Finance Scrutiny Work Programme 2020/2021

- The draft work plan was noted and agreed.
- Performance monitoring reports will be issued prior to meetings to give ample time for review. Questions can then be directed to the relevant Officer beforehand in order to prepare answers in advance.
- Budget proposal to be reviewed again in March to provide further opportunity to scrutinise if needed.
- Byelaws need in depth review; yet to be scheduled.

11 Letters

The meeting ended at 12.53 pm

Chair