



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

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Overview & Scrutiny

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6<sup>th</sup> March 2018

**BY EMAIL**

**Summary:** This is a letter from the Service Improvement and Finance Performance Panel to the Cabinet Member for Economy and Strategy following the meeting of the Panel on 14<sup>th</sup> February 2018. It concerns the Annual Budget.

Dear Councillor Stewart,

On 14<sup>th</sup> February 2018, the Service Improvement and Finance Performance Panel met to consider the Annual Budget.

Thank you for attending along with Councillor Clive Lloyd and Ben Smith and for providing us with information and answers.

We have made a number of observations that we wish to share with you.

We heard that similar to previous years, austerity continues and the funding Swansea Council will receive is insufficient for its needs. We also heard that the lifting of the public sector pay cap will have financial consequences above what was anticipated which puts further pressure on the budget.

However, we also heard that savings of over 60 million pounds have been made over the last 3 years which is an accomplishment.

We know that more money needs to flow from both Central and Welsh Government just to meet the basic needs of citizens and that Cabinet and Council have some very difficult decisions to make over the foreseeable future.

As part of the budget process, each Scrutiny Performance Panel had an opportunity to feedback on their particular area of work.

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Please find below the observations which have been circulated to the Cabinet and presented at the Cabinet meeting on 15<sup>th</sup> February 2018.

### Service Improvement and Finance Scrutiny Performance Panel

We are grateful to the Leader, Councillor Clive Lloyd and Ben Smith Head of Financial Services and Service Centre, for attending our meeting on 14th February to discuss budget proposals in advance of the Cabinet Meeting, and answering questions from the panel.

The following key points were raised:

- The consultation exercise was lacking. It was generic and it did not phrase questions properly to maximise information giving. The way you ask questions and who you ask is important. Should be improved going forward. We suggest that a longer term solution to this could be looked at to engage more people.
- The Capital Financing Charges are a major worry as there is no growth in money from Welsh Government
- It is important to consider details around some investments – for example gearing of rents in properties Council will lease out
- A £3m reserves budget for next year seems low

### Schools Performance Panel

The Panel met and consider the budget papers for Cabinet 13 February. The Panel is grateful to Cllr Jen Raynor, Cabinet member for Education, Nick Williams, Chief Education Officer and Brian Roles, Head of Education Planning & Resources who attended and provided advice and answers to questions.

The following key points were raised:

- The Panel are supportive of the education related budget proposals and of how monies have been allocated given the current budget situation.
- The issue of year on year funding from Welsh Government was raised especially in light of the need to plan services over the longer term (as referenced in the Wellbeing and Future Generation Act). The panel recognise that the authority does develop an indicative 3 year medium term plan but this will change year on year depending on the local authority's allocation from Welsh Government. The panel would encourage councils to work together to make representations to Welsh Government around developing a longer term funding plan. The Panel were also keen to see changes made that reduce the lag between allocation of grants from Welsh Government and actual receipt of that funding.
- The Panel had concerns about the impact that the 11% cut to the education improvement grant will have on supporting services in particular the Ethnic Minority Achievement Service but were pleased to hear that the authority are looking to fill the gap for some services from reserves for 1 year.

- The Panel heard that some schools were managing the difficult budgetary situation better than others: the panel felt that sharing good practice across schools in relation to this aspect would be highly beneficial.
- Reduce the cost of school transport by using existing transport resources owned by the Council. Working across departments, for example using social services mini buses.

### Adult Services Performance Panel

The panel met and considered the budget papers for Cabinet 13 February including the revenue budget and savings proposals. The panel is grateful to Alex Williams and Dave Howes who attended the meeting and provided helpful advice and answers to questions

The following key points were raised:

- Last year Adult Services was £3 million over budget. The Panel feels that the overspend was not controlled last year.
- There is a discrepancy in the figures – Panel told budget for Adult Services next year had been increased by £3.5 million. However on page 118 on the budget proposals it says £2.7 million and on page 182 on the budget proposals it equates to £4.5 million. Please clarify.
- The Panel is concerned over savings not being achieved this year despite being told they could be.
- The Panel was concerned that despite over 70% of consultees being opposed to the new charges for day centres, the recommendation is to go ahead and impose them.
- In relation to safeguarding/wellbeing, we noted that this is the only line in the proposed budget which reduces. Please can you provide clarification of what this reduction is?

### Child and Family Services Performance Panel

The panel met and considered the budget papers for Cabinet 13 February including the revenue budget and savings proposals. The panel is grateful to Julie Thomas and Dave Howes who attended the meeting and provided helpful advice and answers to questions

The following key points were raised:

- Reasonably satisfied with the budget proposed for CFS for 2018/19 and with the improvements to be increased and enhanced
- Noted the increased budget for CFS is mainly to cover inflationary increases in salaries
- The panel feels that Child and Adolescent Mental Health Services (CAMHS) needs to be monitored closely
- The panel feels that early intervention is really important. It welcomes the forward thinking but will want to monitor this going forward.

These points were presented to Cabinet by Councillor Chris Holley on 15<sup>th</sup> February however we have included them in this letter for your record.

We feel that regarding layout and content, Ben Smith has put together the best budget we have seen in a long time. The issues have been highlighted well and barring a few tables which could have benefited from more detailed explanation we feel that it is accessible and very well written.

Please respond by 27<sup>th</sup> March 2018.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'CHolley', with a stylized flourish at the end.

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