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Mark James LLM, DPA, DCA
Prif Weithredwr,
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County Hall, Carmarthen. SA31 1JP

TUESDAY, 29 JANUARY 2019

TO: ALL MEMBERS OF THE EXECUTIVE BOARD

I HEREBY SUMMON YOU TO ATTEND A MEETING OF THE **EXECUTIVE BOARD** WHICH WILL BE HELD IN THE **CHAMBER, - COUNTY HALL, CARMARTHEN. SA31 1JP. AT 10.00 AM, ON MONDAY, 4TH FEBRUARY, 2019** FOR THE TRANSACTION OF THE BUSINESS OUTLINED ON THE ATTACHED AGENDA

Mark James CBE

CHIEF EXECUTIVE



PLEASE RECYCLE

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EXECUTIVE BOARD

MEMBERSHIP - 10 MEMBERS

Councillor	Portfolio
Councillor Emlyn Dole	Leader Corporate Leadership and Strategy; Chair of Executive Board; Represents Council at WLGA; Economic Development Represents the Council on the Swansea Bay City Region; Collaboration; Marketing and Media; Appoints Executive Board Members; Determines EBM Portfolios; Liaises with Chief Executive; Public Service Board
Councillor Mair Stephens	Deputy Leader Council Business Manager; Human Resources; Performance Management; Wales Audit; Training; I.C.T.; T.I.C. (Transformation, Innovation and Change); Strategic Planning
Councillor Cefin Campbell	Communities and Rural Affairs Rural Affairs and Community Engagement; Community Safety; Police; Counter-Terrorism and Security Act 2015; Tackling Poverty; Wellbeing of Future Generations; Third Sector Liaison ;Equalities
Councillor Glynog Davies	Education and Children Schools; Children's Services; Special Education Needs; Safeguarding; Respite Homes; Regional Integrated School; Improvement Service; Adult Community Learning; Youth Services; School Catering Services, Lead Member for Children and Young People; Youth Ambassador
Councillor Hazel Evans	Environment Refuse; Street Cleansing; Highways and Transport Services; Grounds Maintenance; Building Services; Caretaking; Building Cleaning; Emergency Planning; Flooding
Councillor Linda Evans	Housing Housing – Public; Housing – Private, Ageing Well
Councillor Peter Hughes Griffiths	Culture, Sport and Tourism Town and Community Councils Ambassador; Development of the Welsh Language; Theatres; Sports; Leisure Centres; Museums; Libraries; Country Parks; Tourism.
Councillor Philip Hughes	Public Protection Trading Standards; Environmental Health. Environmental Enforcement; Planning enforcement; Unlicensed Waste; Parking Services; Bio diversity
Councillor David Jenkins	Resources Finance & Budget; Corporate Efficiencies; Property/Asset Management; Procurement; Housing Benefits; Revenues; Statutory Services (Coroners, Registrars, Electoral, Lord Lieutenancy); Armed Forces Champion Contact Centres and Customer Service Centres
Councillor Jane Tremlett	Social Care & Health Adult Social Services; Residential Care; Home Care; Learning Disabilities; Mental Health; NHS Liaison/Collaboration/ Integration; Care Home Catering Services, Carers' Champion; Dementia Care Champion; Disability Ambassador

AGENDA

1. APOLOGIES FOR ABSENCE.
2. DECLARATIONS OF PERSONAL INTEREST.
3. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE EXECUTIVE BOARD HELD ON THE 21ST JANUARY 2019 5 - 8
4. QUESTIONS ON NOTICE BY MEMBERS
5. PUBLIC QUESTIONS ON NOTICE
6. REVENUE BUDGET STRATEGY 2019/20 TO 2021/22 9 - 250
7. FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) - 2019/20 TO 2023/24 251 - 280
8. HOUSING REVENUE ACCOUNT BUDGET 2019/20 TO 2021/22 AND HOUSING RENT SETTING FOR 2019/20 281 - 298
9. THE CARMARTHENSHIRE HOMES STANDARD PLUS (CHS+) BUSINESS PLAN 2019-22 299 - 368
10. TREASURY MANAGEMENT POLICY AND STRATEGY 2019-20 369 - 418
11. CARTREFI CROESO CYFYNGEDIG - FINANCING REQUIREMENT 419 - 428
12. ANY OTHER ITEMS OF BUSINESS THAT BY REASONS OF SPECIAL CIRCUMSTANCES THE CHAIR DECIDES SHOULD BE CONSIDERED AS A MATTER OF URGENCY PURSUANT TO SECTION 100B(4)(B) OF THE LOCAL GOVERNMENT ACT, 1972.

NB: Reports are only printed in black and white to reduce costs. All reports however are available on-line so that members of the Committee / County Council and the public can view photographs/graphs in colour

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EXECUTIVE BOARD

Monday, 21 January 2019

PRESENT: Councillor E. Dole (Chair)

Councillors:

C.A. Campbell, G. Davies, H.A.L. Evans, L.D. Evans, P.M. Hughes, P. Hughes-Griffiths, D.M. Jenkins and L.M. Stephens

Also in attendance:

Councillors D.M. Cundy and A.G. Morgan.

The following Officers were in attendance:

M. James, Chief Executive
J. Morgan, Director of Community Services
C. Moore, Director of Corporate Services
Mrs R. Mullen, Director of Environment
G. Morgans, Director of Education & Children's Services
W. Walters, Director of Regeneration & Policy
L.R. Jones, Head of Administration and Law
D. Hockenfull, Marketing and Media Manager
M.S. Davies, Democratic Services Officer
E. Bryer, Democratic Services Officer

Chamber, - County Hall, Carmarthen. SA31 1JP. - 10.00 - 10.25 am

1. APOLOGIES FOR ABSENCE.

An apology for absence was received from Councillor J. Tremlett.

2. DECLARATIONS OF PERSONAL INTEREST.

There were no declarations of personal interest.

3. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE EXECUTIVE BOARD HELD ON THE 17TH DECEMBER 2018.

UNANIMOUSLY RESOLVED that the minutes of the meeting of the Executive Board held on the 17th December, 2018 be signed as a correct record.

4. QUESTIONS ON NOTICE BY MEMBERS.

The Chair advised that no questions on notice had been submitted by members.

5. PUBLIC QUESTIONS ON NOTICE

The Chair advised that no public questions had been received.

6. SOCIAL SERVICES AND WELL-BEING (WALES) ACT 2014 - POLICY AND PROCEDURES REVISIONS FOR CHARGING ADULTS FOR SERVICES.

The Chair advised that this item had been withdrawn from the agenda.

7. COUNCIL'S REVENUE BUDGET MONITORING REPORT

The Executive Board considered the revenue budget monitoring report which provided an update on the latest budgetary position as at the 30th October 2018.

Overall, the report forecast an end of year overspend of £1,255K on the Authority's net revenue budget with an over-spend at departmental level of £2,760K. The most significant pressure points were within Education and Children's Services and the department need to critically examine the current forecasted position.

Concerns were expressed over the fact that the LHB had not contributed fully towards the tripartite agreements for placements at Garreglwyd Residential Unit and it was considered that the Board needed to be reminded of its responsibility.

UNANIMOUSLY RESOLVED that the budget monitoring report be received.

8. CAPITAL PROGRAMME 2018-19 UPDATE.

The Executive Board considered a report which provided an update on the capital programme spend against the budget for 2018/19 as at the 31st October 2018.

It was noted that a net spend of £52,244K compared with a working net budget of £43,878K giving a £-1,634K variance.

The net budget had been re-profiled by a further £1.887m from 2018/19 to future years to take account of updated spend profile information and the budget slippage from 2017/18 was also included.

UNANIMOUSLY RESOLVED that the capital programme update budget monitoring report, as detailed in Appendix A and B, be received.

9. ANY OTHER ITEMS OF BUSINESS THAT BY REASONS OF SPECIAL CIRCUMSTANCES THE CHAIR DECIDES SHOULD BE CONSIDERED AS A MATTER OF URGENCY PURSUANT TO SECTION 100B(4)(B) OF THE LOCAL GOVERNMENT ACT, 1972.

The Chair reported that there were no items of urgent business.

10. EXCLUSION OF THE PUBLIC.

UNANIMOUSLY RESOLVED, pursuant to the Local Government Act 1972, as amended by the Local Government (Access to Information)(Variation) (Wales) Order 2007, that the public be excluded from the meeting during consideration of the following item as the report contained exempt information as defined in paragraph 14 of Part 4 of Schedule 12A to the Act.

11. FINANCIAL SUPPORT FOR CHRT/LLANELLY HOUSE.

Following the application of the public interest test it was **UNANIMOUSLY RESOLVED**, pursuant to the Act referred to in Minute 10 above, to consider this matter in private, with the public excluded from the meeting as it would involve the disclosure of exempt information relating to the financial or

business affairs of any particular person (including the Authority holding that information).

[Note – C Moore, Director of Corporate Services was not in attendance at the meeting for this item]

The Board considered a report detailing the case for continued financial support for the CHRT/Llanelly House project.

UNANIMOUSLY RESOLVED that the recommendation of a support package for CHRT/Llanelly House of up to £60K per annum for the next 2 years be approved subject to a review of the financial forecast prior to year 2.

CHAIR

DATE

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Executive Board 4th February 2019

Revenue Budget Strategy 2019/20 to 2021/22

Recommendations / key decisions required:

That the Board considers and recommends to County Council:

- a. The Budget Strategy for 2019/20;
- b. The Band D council Tax for 2019/20;
- c. The allocation of the £528k recurrent funding available balance taking into account the rate of responses received during the consultation process and any further pressures identified; and
- d. The Medium Term Financial Plan which will form the basis for future years financial planning.

Reasons:

To enable the Authority to set its Revenue Budget for the Council Fund and resultant Council Tax for 2019/20.

Relevant scrutiny committee to be consulted: YES

Exec Board Decision Required YES

Council Decision Required YES

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. David Jenkins

Directorate:
Corporate Services

Chris Moore

Designations:

Director of Corporate Services

Tel No. 01267 224120

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EXECUTIVE SUMMARY
Executive Board
4th February 2018

Revenue Budget Strategy 2019/20 to 2021/22

This report brings together the latest proposals for the Revenue Budget 2019/2020 with indicative figures for the 2020/21 and 2021/22 financial years.

It summarises the latest Budgetary position giving an update on the budget validation, spending pressures, the Welsh Government final settlement and the responses from the budget consultation.

Members are required to consider the proposals within this report and make recommendations on the budget to County Council, in accordance with Council Policy.

Documents Attached:

- Report of the Director of Corporate Services
- Table 1 – Council Fund Summary
- Appendix A – Consultation Report
- Appendix B – Budget reduction proposals
- Appendix C – Equality Impact Assessments.
- Appendix C – Pressures submissions & allocation.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Chris Moore

Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	NONE	YES	NONE	NONE	NONE	NONE

1. Policy and Crime & Disorder

The budget has been prepared having regard for the Council's Corporate Strategy 2018-2023, and the Well-being of Future Generations (Wales) Act 2015. Equalities Impact Assessments have been undertaken on the budget proposals in order to consider and assess the potential impact with respect to protected characteristic groups. All budget proposals considered to have an impact on front line services have undergone a period of public consultation. The Equalities Impact Assessments will be further developed following consideration of possible mitigation measures.

2. Finance

Council Fund

Final financial implications will be dependent upon the budget recommended by Executive Board to County Council, however the implications on the latest proposals are as follows:

- Proposed Net County Council Budget of £351.313m
- Proposed Council Tax increase of 4.89% for 2019/20 - Band D tax of £1,255.17

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Chris Moore

Director of Corporate Services

1. Scrutiny Committee – Not applicable

2. Local Member(s) – Not applicable

3. Community / Town Council – Not applicable

4. Relevant Partners – Consultation with relevant partners undertaken and results contained within the report.

5. Staff Side Representatives and other Organisations – Consultation undertaken and results contained within the report.

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
2019/20 3 year Revenue Budget		Corporate Services Department, County Hall, Carmarthen.
WG Provisional & Final Settlement		Corporate Services Department, County Hall, Carmarthen.

REPORT OF DIRECTOR OF CORPORATE SERVICES

Executive Board

4th February 2019

REVENUE BUDGET STRATEGY 2019/20 to 2021/22

DESIGNATION:	DIRECTORATE	TELEPHONE NO.
C Moore, Director of Corporate Services	Resources	01267 224120
AUTHOR & DESIGNATION	DIRECTORATE	TELEPHONE NO
R Hemingway, Head of Financial Services	Resources	01267 224886

1. INTRODUCTION

1.1. Executive Board in November 2018 considered and endorsed the Revenue budget strategy 2019/20 to 2021/22 for consultation. The report indicated, after taking account of the provisional settlement, a council tax increase of 4.89% in 2019-20. The Executive Board in endorsing the report for consultation resolved

‘that the contents of the budget report be noted and the three year budget strategy be approved as a basis for consultation, and to specifically seek comments from consultees on the efficiency proposals detailed in appendix A to the report’.

1.2. This report updates members on the latest position for the Revenue budget including:

- Final Settlement Details, including pertinent grants information and updates on key risk items
- Budget Consultation Results
- The Medium Term Spending Plans
- Implication on Council tax for 2019-2020.

The final proposals have endeavoured to meet the aspirations of the Authority, whilst recognising the continued squeeze on public finances. They address specific pressures in certain service areas whilst seeking to balance the impact on service delivery and local taxpayers.

1.3. There are inherent risks attached to this Budget Strategy and they are detailed within the body of this report, however the Director of

Corporate Services confirms that the proposed budget has been prepared in a robust manner.

- 1.4. The Executive Board needs to consider these detailed proposals and make recommendations to County Council in accordance with Council policy.
- 1.5. Whilst the final Settlement is more favourable than expected, Local Government has again been faced with real term reductions which, in conjunction with significant validation requirements for such items as the implementation of the new pay spine, continues to make the budget process extremely difficult. It is also worth noting that the trend has continued in recent years of Local Authorities receiving a decreasing proportion of Welsh Government funding year-on-year. Decisions have had to be made in respect of prioritisation of services and the inclusion of substantial budget reductions in order to achieve what hopefully is an acceptable Council Tax increase.

2. CONSULTATION

- 2.1. The original proposals have been subjected to an extensive consultation exercise since the Budget Strategy reports were presented to the Executive Board on the 19th November 2018, with the groups and committees being invited to comment in the following manner:-

- Public Consultation
- Town and Community Councils
- School Budget Forum
- Schools Insight Date
- Member Seminars
- Scrutiny Committees
- Trade Union Meetings

- 2.2. A detailed report on the consultation results for each of the above is attached at Appendix A.

3. BUDGET REQUIREMENT 2019/20

3.1. Current Year Performance (2018/2019)

- 3.1.1. As the Authority's core spending requirements remains constant year on year, a review of current year's performance is important in identifying whether there are any underlying problems within the base budget.

3.1.2. The current projection for the Revenue Outturn for 2018/19 (based on the October 2018 monitoring) is as follows:

Service	Approved Budget £'000	Total Expenditure Forecast £'000	Variance Forecast For Year £'000
Chief Executive	13,563	13,430	-133
Communities	97,701	98,590	889
Corporate Services	24,799	24,354	-445
Education and Children	162,786	164,458	1,672
Environment	52,629	53,407	778
Departmental Expenditure	351,479	354,239	2,760
Capital Charges	-15,425	-16,375	-950
Levies and Contributions	9,724	9,724	0
Transfer to/ from Reserves	0	-555	-555
Net Expenditure	345,778	347,033	1,255

The main reasons for the departmental overspends are as follows:

- Communities Department: whilst continuing to deliver savings related to packages of social care the pressures of approximately £1,200k remain primarily due to demographic pressures being higher than initial projections and slippage in receiving a full year effect of actions e.g. commissioning alternatives to Residential Care, impact of releasing Time to Care project on domiciliary care packages. This is offset by vacant posts savings of £311k.
- Education and Children's Services: the department continues to face pressure due in the main to school based EVR and redundancy costs, SEN provision and a shortfall in the Music service SLA income from schools.
- Environment Department: the overspends are primarily due to non-achievement of car park income targets and a decrease in planning application income.

The Authority is currently forecasting a variance of £1.255m at the year-end that will have to be met from General Balances.

3.1.3. In considering next year’s budget, consideration needs to be given to the ability of departments to address any ongoing pressures from the current year, with the pressures within Education and Social Services being considered currently as being the most significant issues.

3.2. Validation

3.2.1. Validation reflects the changes in expenditure requirements to deliver the **current level** of services in future years. Primarily this is inflation, but also includes some service specific changes. The key changes from the original strategy are as follows:

3.2.2. Recorded CPI inflation dropped 0.2% from 2.3% to 2.1% between November and December 2018, whilst the Office of Budget Responsibility is forecasting the next quarter at 2.4%. Given the scale of current uncertainty, the inflation factors for 2019/20 have been retained at the same level as reported in the original budget strategy.

	<u>2019/20</u> <u>Original</u>	2019/20 Proposed	<u>2020/21</u>	<u>2021/22</u>
General inflation	2.3%	2.3%	2.0%	2.0%
Electricity	5.0%	5.0%	5.0%	5.0%
Gas	5.0%	5.0%	5.0%	5.0%
Fuel	5.0%	5.0%	5.0%	5.0%
Pay Inflation - non teaching	2.0%	2.0%	2.0%	2.0%
Pay Inflation - Teaching	2.0%	2.0%	2.0%	2.0%
Levies	2.9%	2.5%	2.5%	2.5%
Pension Contributions	£209k	£209k	£213k	£218k
New Pay Spine	£2000k	£1788k	n/a	n/a
Capital Charges	£250k	nil	£250k	£250k
Allied Healthcare	nil	£500k	nil	nil

3.2.3. When considering changes to the final budget, members should note that the validation is applied not only to expenditure but income. Consequently, members may wish to consider using some of the budget headroom available to them to mitigate price rises, as has been the case in previous years in respect of parking fees and school meals prices.

3.2.4. The Capital charges estimate reflects the current policy and the 5 year Capital Programme elsewhere on the agenda. Based on the current plans, there is no requirement to increase the budget

for 2019/20. This releases £250k against the draft budget, though members should note that future years' requirements may be higher, particularly as Carmarthenshire's spending plans as part of the Swansea Bay City Region are firmed up.

- 3.2.5. The Swansea Bay City Region is responsible for 11 projects and is reliant upon £241m of UK and Welsh Government Funding. During 2018/19 a joint agreement was approved by all four Local Authorities and a Joint Committee was created. The principle behind the funding structure of the City Deal is that each Local Authority will be required to borrow the value of the funding allocated to their project and the UK and Welsh Government will repay this debt over a 15 year period. The County Council is the accountable body for the City Deal as whole but also has ownership of three projects: Yr Egin; the Wellness and Life Science Village and Skills and Talent programme, this being a regional project.

The Wellness and Life Science Village and Yr Egin project business plans were presented to Executive Board on the 3rd December 2018 and the value of the City Deal funding has been included within the Capital Programme, as the County Council will be required to borrow against these schemes. Whilst the Government funding is not providing any resources for the interest of the borrowings, the Budget Strategy assumes that there will not be any call on the County Council budgets as the Business Case will provide for such costs in full. It should however be recognised that an agreement has been reached with WG that the Local Authorities will be able to retain 50% of the additional NNDR yield that accrues from the City Deal Projects, the distribution basis is yet to be agreed by the Joint Committee.

- 3.2.6. The most significant specific validation over the three year period again relates to the cost of implementing the nationally agreed pay award, including the implementation of a new pay spine. The effect is that all National Joint Council (NJC) staff will receive at least a 2% increase from April 2019, with increases for the lower half of the scale being considerably above this. Most notably for Carmarthenshire, staff employed at Grade A and B, currently both receiving the Foundation Living Wage of £8.75/hour, will move to £9.18/hour and £9.36/hour respectively, increases of 4.9% and 6.9%. Full departmental calculations have now been completed, confirming the overall cost increase to the council is some £4.7m for NJC officers, which is £0.2m lower than allowed for in the draft budget. Departments have been allocated specific validation according to the different staffing mix. For schools, this means an additional validation of £251k to delegated budgets, which has been added to cash budgets.

The pay offer does not apply to Chief Officers, who will receive a 2% increase under the agreed two year deal. Teachers pay is now devolved to the Welsh Government for the first time and has been provided at 2% for future awards.

- 3.2.7. Based upon early discussions by Mid and West Wales Fire Authority, the draft budget assumed the Levy would increase by 2.9%. The 2019-20 budget currently proposed has been curtailed to an increase of 2.48% on the budget requirement falling on the Constituent Authorities. The effect of this has been a reduced requirement of £45k versus our draft budget. However, as with Teacher's Pensions, the Fire Authority has a significant risk in respect of Firefighters' Pension cost increases, for which funding from Welsh Government is expected but has not yet been confirmed.
- 3.2.8. A specific validation of £500k has been added to Adult Social Care budgets to meet the increased costs the council will face as a consequence of the financial collapse of a national provider, Allied Healthcare, which the council had contracted with. The service has now been brought in-house with minimal disruption to service users, consequently the 2019/20 budget will provide for the harmonisation of employee terms and conditions, including internal payscales.
- 3.2.9. There is a clear risk to the Budget Strategy as departments may find it difficult to manage their expenditure within these parameters, especially where service specific inflationary increases may differ to the global validation rates. This risk is something that will require close monitoring during the year.
- 3.2.10. In total validation adds £11.3m to the current year's budget.

3.3. Cost Reduction Programme

- 3.3.1. As detailed in the report to Executive Board on 19th November 2018, in anticipation of the reductions in this settlement round, significant work in identifying further service efficiencies/rationalisation proposals had been undertaken and a range of proposals were presented.
- 3.3.2. The current proposals are attached in **Appendix B** and are categorised as follows:

Managerial – cost reductions that result in no perceivable change to the overall level of service delivery or council policy

Policy – Efficiency or service rationalisation proposals that will directly affect service delivery (generally frontline).

- 3.3.3. Equality Impact Assessments have been conducted on those proposals which could have an impact on service delivery. These are intended to identify whether these savings could have a disproportionate impact on one or more groups. Where this is the case appropriate consultation with representatives of such groups will be conducted and measures to mitigate the impact will be considered where possible.
- 3.3.4. All new ‘policy’ proposals have undergone public consultation and Equality Impact Assessments (see attached report at **Appendix C**). In deciding which savings proposals to adopt, members are reminded of their duty to give ‘due regard’ (consideration) to equality, as defined in the Equality Act 2010. In practice, this means taking decisions in the light of possible equality impacts and understanding how impacts on affected groups could be lessened (mitigated).
- 3.3.5. The cost reductions included in the budget strategy are:

	2019/20 £m	2020/21 £m	2021/22 £m
Managerial	5.527	3.878	3.893
Existing Policy	2.581	3.126	3.021
New Policy	1.220	0.660	0.696
Total	9.328	7.664	7.610
Shortfall against target set		1.875	0.871

(Detailed in **Appendix B**)

The shortfall on the targets set in years 2 and 3 of the budget strategy bring further financial risk, and further work will need to be undertaken in 2019-20 to identify additional cost reduction proposals for the following years.

3.4. New Expenditure Pressures

- 3.4.1. New expenditure pressures are the combination of additional cost to meet existing service needs e.g. increased client base/greater service take up and the costs of meeting change in service provision e.g. policy changes.

3.4.2. Bearing in mind the budget pressures in the current year, and following a detailed review of the growth bids submitted, the budget strategy reflects the original provision, with two additions:

- a further £200k allocated to social services in light of the additional demand the service is already experiencing in the current year
- a further £100k allocated to the Education department, recognising the pressure on future EVR budgets, largely as a result of historic decisions.

	£'000
Communities (plus £1.8m extra to be met from the new Social Services Grant)	600
Education	600
Environment	1,300

Departments will need to prioritise their departmental allocation against their original submissions

3.4.3. It must be noted that the allocated sum does not meet the pressures identified by departments, and accordingly departments will be required to strictly manage their budgets to remain within their allocated sums. The detail is provided at **Appendix D**.

3.5. Schools Delegated Budgets

3.5.1. The draft budget was constructed on the basis of a cash neutral funding settlement to schools. This recognised forecast inflationary pressures of £2.6m, and therefore a need to schools to deliver efficiency savings to this value. Departmental allocation of pay spine costs has resulted in increased pressure of £251k to schools, which has therefore been added as a cash sum to delegated budgets. In addition, the budget honours the additional funding transferred into the Revenue Support Grant for Teachers pay. Taken together, increases to core budgets and grants will be a cash increase of £2.6m to schools funding, as shown below:

Additional RSG	£497k
Pay spine validation	£251k
Teachers Pay	£922k
Professional development	£900k (est)
TOTAL	£2,570k

However, members should note that Welsh Government have chosen to retain a significant element of funding in the form of specific grants. There is consequently inherent risk to the stability of school funding for future years, due to the fact that the 2019/20 is reliant upon Teachers Pay grants of worth £922k to Carmarthenshire.

3.5.2. The draft budget report received by Executive Board in November 2018 highlighted a key risk around the increase in the cost of Teachers Pensions. Whilst Welsh Government have been unable to provide a definitive response to this issue, there is currently a live consultation by the Westminster Department for Education proposing to meet the additional costs in full for English state funded schools. Consequently the final budget maintains the assumption that this will be fully funded. The value of the additional cost in 2019/20 for Carmarthenshire is c. £2.75m. Until this matter is resolved and the Government departments confirm the transfer, this will remain a significant risk to the Authority.

4. FUNDING

4.1. Revenue Settlement 2019-2020

4.1.1. On the 19th December 2018, the WG published the final local government settlement for 2019-20.

4.1.2. The final settlement includes an additional £23.6m (excluding the cost of the funding floor arrangements) when compared to the provisional settlement. This comprises an additional £13m

as included in the funding package announced by the Cabinet Secretary for Finance on 20th November 2018. It also includes:

- 4.1.2.1. £7m (£467k for CCC) to support a further increase to the capital limit for charging for residential care to £50,000 commencing from April 2019;
 - 4.1.2.2. £1m (£60k for CCC) towards the increased costs associated with Free School Meals provision as a result of Universal Credit rollout;
 - 4.1.2.3. Also included is an additional £2.4m (£144k for CCC) funding to local authorities for discretionary rates relief.
- 4.1.3. The movement for Carmarthenshire was an additional £1.557m.
- 4.1.4. The final settlement enhanced the funding floor announced in October 2018, providing an additional £1m of funding to ensure that no authority sees a reduction of greater than 0.3% compared to its 2018-19 allocation and top-up funding.
- 4.1.5. The published change in Aggregate External Finance (AEF) on an all Wales basis equated to an average increase of 0.2% (£10m) which represents a material real terms reduction. For Carmarthenshire County Council (CCC) the published increase was 0.008% (£22k). This was after taking account of transfers in and out of the settlement, and the transfer of new responsibilities.
- 4.1.6. The salient points of next year's settlement are noted below:
- 4.1.7. The final settlement for 2019/20 gave an increase in Standard Spending Assessment (SSA) for Carmarthenshire of £6.975m (2.0%), SSA on an all Wales basis also increased by 2.2%, un-adjusted for transfers and new responsibilities.
- 4.1.8. Figures for individual Local Authorities were provided for the one financial year only, 2019/20, with no indicative reductions for any future years.
- 4.1.9. Transfers in and out of the settlement include:

Transfers In:

Teachers pay	£497k
Free school meals eligibility	£297k

New Responsibilities:

Increasing capital limits for residential care	£467k
Business rates relief	£144k

The above has a neutral effect on the Authority’s budget.

4.1.10. Business Rate Poundage is to increase to 52.6p from 51.4p for 2019/20.

4.1.11. The table below provides a summary of the overall position for this authority after the final settlement:

	2018-2019 Settlement £m	2019-2020 Original Notification £m	2019-2020 Settlement £m
Standard Spending Assessment	346.059	350.947	353.034
Aggregate External Finance	259.440	258.831	260.388

4.2. Internal Funding

4.2.1. Generally speaking, whilst the use of reserves to support annual budgets should not be summarily discounted, it must be treated with caution. Funding on-going expenditure from such funds merely defers and compounds difficult financial problems to the following year. One-off items of expenditure within any budget proposal lend themselves better for such funding support.

4.2.2. In deliberating this point however, members must bear in mind any **inherent risks** that may be built into the budget strategy. These include:

- Challenging Efficiency targets
- Future inflation/interest rates

- Current economic uncertainty continuing (including the starkly differing possible Brexit outcomes)
- Additional pressure on demand lead Services
- Overestimation of the future settlements.
- Lack of Welsh Government forward indicators for 2020-21 onwards.

4.2.3. Sensitivity impact analysis:

Budget element	Movement	Annual Impact £m
Pay inflation	1%	2.1
General inflation	1% (expenditure only)	2.2
General inflation	1% (income only)	-1.3
WG Settlement	1%	2.5
Specific Grants	1%	1.0
Council Tax	1%	0.8

4.2.4. The following table summarises the main categories of reserves held by the Authority.

	1 st Apr 2018 £'000	31 st Mar 2019 £'000	31 st Mar 2020 £'000	31 st Mar 2021 £'000
Schools Reserves	1,515	-474	n/a	n/a
General Reserves	9,783	8,528	8,528	8,528
Earmarked Reserves	81,139	52,844	39,077	20,167

4.3. School Reserves

- 4.3.1. Schools have delegated responsibility for the management of their own finances. The level of reserves held by an individual school at any point in time will depend on a number of factors including the level of contingency fund that the school governing body considers appropriate and the particular plans each school has for expenditure. Officers have yet to be informed of any transfers to/from these reserves by individual schools for future years, so the forecast is for the reserves to be reduced to a nil balance overall given the trend in reducing school balances over recent years.
- 4.3.2. Legislation allows schools to carry forward reserves from one financial period to another. Current guidance requires schools to limit their carry forward to £50,000 for Primary Schools and £100,000 for Secondary Schools or 5% of their budget dependant on what is greater. School Improvement officers continually work with schools to ensure they comply with the guidance. As at 31st March 2018, 28 primary, 5 secondary and no special schools were in deficit and 18 primary and 6 secondary schools held surpluses in excess of the £50k/£100k threshold.

5. GENERAL RESERVES

- 5.1.1. In the changeable and challenging environment currently facing Local Government the Authority is committed to maintaining a reasonable level of General reserves or Balances. Whilst there is no prescribed minimum level for Balances, Council has previously deemed 3% of net expenditure as being a prudent level, which has been accepted by our Auditors as being reasonable.
- 5.1.2. The overall level of Balances are taken into consideration each year when the annual budget is set and has on occasion been utilised to augment expenditure/reduce council tax. Whilst the 2018-2019 budget was set on the basis of a nil transfer from General Reserves, with the October Budget monitoring (outlined in paragraph 3.1.2 above) there could be a draw of £1,255k against General Reserves at the end of the current financial year.
- 5.1.3. Given the likely draw on this reserve in the current year, it is deemed imprudent at this stage to assume any further support for future years budgets from the current General Reserves.
- 5.1.4. Taking account of these changes the average level of the general reserves is forecasted to be around 2.4% of net expenditure during 2019/20.

5.2. Earmarked Reserves

5.2.1. The Authority holds earmarked reserves which have been set up to finance the delivery of specific projects, or in protecting the authority against future liabilities or issues. The reserves can be summarised as follows:

Reserve	31 March 2018	31 March 2019	31 March 2020	31 March 2021
	£'000	£'000	£'000	£'000
Insurance	10,741	11,041	11,216	11,391
Capital Funds	43,212	26,189	16,187	-653
Development Fund	1,627	923	1,091	1,257
Corporate Retirement Fund	2,959	2,202	1,445	688
Joint Ventures	1,248	1,284	1,386	1,488
Other	21,352	11,205	7,752	5,996
TOTAL	81,139	52,844	39,077	20,167

5.2.2. As can be seen from the table above the level of earmarked reserves fluctuates greatly year on year, and whilst the level in each fund is not an exact science it is based on an informed estimate and past experience of the likely call on the authority in future years in line with the intended purpose of each reserve. Great care must therefore be taken when considering utilising such funds for purposes other than those which they were created as this could lead to the authority being faced with substantial unfunded liabilities in the future.

5.2.3. Taking account of the proposals within this report, including the use of reserves, the Director of Corporate Services confirms that overall the estimated level of financial reserves (as indicated above) is adequate for the financial year 2019/20, with the General Reserves being at the minimum that could be supported.

6. WELLBEING OF FUTURE GENERATIONS (WALES) ACT 2015

6.1. In considering the budget proposals, members need to take into consideration the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Act requires that we must carry out sustainable development, improving the economic, social environmental and cultural well-being of Wales.

‘... the public body must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs’

6.2. In doing so, we must demonstrate the following 5 ways of working:

- Looking at the long-term so that we do not compromise the ability of future generations to meet their own needs
- Understanding the root causes of the issues to prevent them recurring
- Taking an integrated approach so that we look at all well-being goals and objectives of other services and partners
- Collaboration – Working with others in a collaborative way to find shared sustainable solutions
- Involving a diversity of population in decisions that affect them

6.3. Carmarthenshire's Well Being objectives:

Start Well

1. Help to give every child the best start in life and improve their early life experiences
2. Help children live healthy lifestyles
3. Continue to improve learner attainment for all
4. Reduce the number of young adults that are Not in Education, Employment or Training

Live Well

5. Tackle poverty by doing all we can to prevent it, help people into work and improve the lives of those living in poverty
6. Create more jobs and growth throughout the county
7. Increase the availability of rented and affordable homes
8. Help people live healthy lives (tackling risky behaviour and obesity)
9. Support good connections with friends, family and safer communities

Age Well

10. Support the growing numbers of older people to maintain dignity and independence in their later years

11. A Council wide approach to support Ageing Well in Carmarthenshire

In a Healthy and Safe Environment

12. Look after the environment now and for the future

13. Improve the highway and transport infrastructure and connectivity

14. Promote Welsh Language and Culture

15. Building a better council and making better use of Resources

**7. MEDIUM TERM FINANCIAL PLAN AND COUNCIL TAX PROPOSAL
2019/20**

7.1. The table below provides members with a summary of the latest position which reflects the contents of this report.

Assuming that the Council Tax increase remains at the level set in the original budget strategy which is 4.89%, this will give an estimated income from Council Tax of £90.925m which when added to the Welsh Government settlement will provide a net available expenditure budget for the Authority of £351.313m. Once allowances have been made for new responsibilities, and the additional social services funding requirement, the balance available for Executive Board to respond to the budget consultation is £528k:

	2019 -20 £'000	2020 -21 £'000	2021 -2022 £'000
Previous Years Budget	345,778	351,313	353,792
Validations/Adjustments	14,335	12,018	11,270
Validated Budget	360,113	363,331	365,062
less			
Efficiency/Service Rationalisation	-9,825	-9,539	-8,481
Projected Budget	350,288	353,792	356,581
RSG passported to schools	497		
Potential sum available	528		
	351,313	353,792	356,581
WG Settlement RSG & NNDR	-260,388	-257,785	-255,207
Call on Council Tax	90,925	96,007	101,374
Tax Base	72,440	72,923	73,410
Council Tax Rate (Band D)	£ 1,255.17	£ 1,316.54	£ 1,380.94
Council Tax Increase	4.89%	4.89%	4.89%

A full summary of the Budget Build up can be seen in **Table 1**.

- 7.1.1. Years 2 and 3 of the Medium Term Financial Plan assume the identification and delivery of the current shortfall in savings proposals of £1.875m in 2020-21 and £0.871m in 2021-22
- 7.1.2. It must be emphasised that the figures for the outer two years of the plan are indicative only and must therefore be treated with caution as the settlement figures, growth pressures and the inflation assumptions contained therein will all be subject to revision as the year progresses and firmer data becomes available.
- 7.1.3. As outlined in paragraph 4.1.8, Welsh Government has not provided figures for 2020-21 and beyond. Current indications are that future year's settlements will continue to see further reductions in the funding made available to Local Authorities. This report before you today therefore assumes a 1.0% reduction in the settlement for both 2020/21 and 2021/22. This will continually be reviewed as and when further information becomes available. Members will note within paragraph 4.2.2, the overestimation of future settlements is identified as an inherent risk.

Recommendations

7.2. That Executive Board consider and recommend to County Council:

7.2.1. The Budget Strategy for 2019/20;

7.2.2. The Band D Council Tax for 2019/20;

7.2.3. The allocation of the £528k recurrent funding available balance taking into account the range of responses received during the consultation process and any further pressures identified; and

7.2.4. The Medium Term Financial Plan which will form the basis for future years financial planning.

COUNCIL FUND REVENUE ACCOUNT

TABLE 1

SUMMARY STATEMENT

2018-19 Approved Budget £	2018-19 Provisional Outturn £		2019/20 Proposed Budget £	2020/21 Indicative Budget £	2021/22 Indicative Budget £
13,547,315	13,430,000	Chief Executive	13,679,552	14,020,391	14,148,214
162,722,390	164,458,000	Education & Childrens Services	163,875,735	163,550,284	163,735,996
52,645,352	53,407,000	Corporate Services	53,395,801	56,280,856	32,177,938
24,799,442	24,354,000	Communities	26,864,078	28,726,476	97,271,544
97,764,532	98,590,000	Environment Services	98,430,251	98,012,627	54,204,426
		Savings to be identified	528,000	-1,875,000	-871,000
351,479,031	354,239,000	Departmental Expenditure	356,773,417	358,715,633	360,667,119
(15,425,321)	(16,375,000)	Capital Charges/Asset Management Acc	(15,425,321)	(15,175,321)	(14,925,321)
		<u>Levies and Contributions</u>			
9,582,382	9,582,382	Mid & West Wales Fire Authority	9,820,025	10,103,333	10,685,285
141,956	141,956	Brecon Beacons National Park	145,477	149,674	158,295
345,778,048	347,588,338	Net Expenditure	351,313,597	353,793,319	356,585,377
0	-1,255,290	Contribution from Balances Transfer to/from Departmental	0	0	0
0	-555,000	Balances/Earmarked Reserves	0	0	0
345,778,048	345,778,048	NET BUDGET	351,313,597	353,793,319	356,585,377
		TO BE FINANCED FROM:			
-259,439,648	-259,439,648	Aggregate External Finance	-260,388,476	-257,784,591	-255,206,745
86,338,400	86,338,400	CALL ON TAXPAYERS	90,925,121	96,008,727	101,378,632
1196.6		Band D Tax	1,255.17	1,316.56	1,381.00
		Council Tax Increase	4.89%	4.89%	4.89%

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REVENUE BUDGET 2019 to 2022

CONSULTATION REPORT

Carmarthenshire County Council

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INTRODUCTION

A mixed-methods approach to ascertaining views on the 2019-22 budget took place during the period from 20th November 2018 to 6th January 2019.

In making savings, the Council is concerned to minimise the impact upon service delivery. In meeting the challenge of saving a total of £28 million, many savings are being made through internal efficiencies. It is however recognised that some savings proposals will potentially have an impact on service delivery. These are known as 'policy' proposals and **27** new proposals (with a total value of £2.6 million) are being considered by the Council in balancing its budget for 2019-22.

There are a variety of legal and policy reasons why the Council must undertake full and meaningful consultation, where service changes are under consideration.¹ Ultimately, a flawed approach can be a means whereby decisions can be challenged through the courts, through a process of Judicial Review. A decision against the Council would prevent the saving being delivered, as well as damage the reputation of Council, at a time when it needs to focus on responding to its challenging financial position.

This report:

1. Outlines the **consultation approach** and the different consultation methods deployed;
2. Describes the **demographic characteristics** of those who took part
3. Summarises the **key findings**;
4. Details the **specific consultation findings** in relation to each of the 27 proposals;
5. Considers **tolerances to council tax increases**

1) OUTLINE OF APPROACH AND CONSULTATION METHODS

Whilst the 'cash neutral' settlement provided by Welsh Government was more favourable than expected, inflation, rising costs, demographic pressures and increased statutory obligations have challenged the Council to make significant cost reductions. In response, Council departments identified proposals for making savings and a consultation exercise was undertaken to elicit views on levels of agreement, possible impacts and ways the impacts could be minimised (mitigation).

¹ The 2010 Equality Act and the Council's Strategic Equality Plan require that 'due regard' be given to the views of designated groups in making decisions. In terms of consultation, a body of case law points to the need for public authorities to properly gather and consider the views of the public in reaching decisions.

Councillor involvement

A series of departmental seminars for all county councillors took place during the period November to December.² All efficiencies across each department were considered in detail and feedback sought. Bullet points below provide an outlook of their views and further suggestions on efficiencies. Councillor feedback regarding the public consultation can be found against the relevant proposals.

Alongside councillor engagement, public consultation took place in the following ways:

Survey

The survey provided financial and service information on each of the 27 policy proposals and asked respondents to express a view on the degree to which they supported the proposal.³ Views were also sought regarding the potential impact of implementing the proposal on people and communities.⁴

The survey was administered in two principal ways:

- 1) Electronically via the Council's online consultation page on the website
- 2) Hard copies were available on request in order to maximise the response rate.

A total of 304 responses were received from various sections of the community, including individuals, businesses, town and community councils and groups and organisations. A demographic breakdown is provided in section 2.

Insight

The Insight session took place on 4th December at Parc Y Scarlets, Llanelli which involved year 11, 12 and 13 students from Ysgol Bryngwyn, Ysgol Bro Dinefwr, Ysgol Bro Myrddin, Ysgol Dyffryn Aman, Ysgol Gyfun Emlyn, Maes Y Gwendraeth and QE High attended.

Each school had around 10 attendees, and Executive Board roles were allocated. In all, around 80 young people participated in the budget consultation exercise. Following briefings on portfolios and proposals for making savings, students undertook a discussion and decision making exercise to decide which proposals they would support. Members of the Council's Executive Board were in the audience as each group presented its views on the proposals.

Five groups from the seven schools attended the full council session on 12th December 2018 to deliver their insight regarding the efficiency proposals. The comments and suggestions noted by pupils are noted against the relevant proposals. Furthermore, suggestions were presented regarding efficiency savings that they proposed to full council which can be seen below:

- Federating schools with low pupil numbers.
- Locate volunteers to undertake grass cutting in their local areas.
- Invest in software that informs you which roads are safe during wintry conditions, using GPS and install technology to inform you when grit bins are empty, also grid reference the grit bins in order to make refills easier.

² As democratically elected representatives, councillor views are of central importance. This is of course in addition to their decision making role, as Council, in deciding the budget.

³ The format of the survey was identical to the previous budget survey, to ensure comparability of results for all 27 proposals.

⁴ The responses are important in establishing the impact of Council proposals on people – a key consideration in undertaking good decision making based on evidence, and a requirement of the 2010 Equality Act.

- A weekly council tax increase of £1.13 per household is reasonable in order to save important services
- Save money in the long term through creating a small tourism tax
- Local authorities to work more closely as a part of administrative services
- Redevelopment of Council land therefore attracting more private sector businesses
- Invest in Pelican Crossings in order to save money in the long term by not requiring lollipop persons
- More use of iPads/laptops in order to reduce the amount of paper being used.
- Reduce the number of collection centres – from 150 to 90, this will save money.
- Invest in the empty Blas Myrddin Room – rent out as a café or allow students/members of the council to use it for meetings. A venue that is sustainable.
- Increase the price of using public conveniences to 50p. This will improve hygiene, encourage more people to use the facilities and increase the income.
- Previously tourists have complained about the state of the public conveniences, if we improve the ones we have it could entice more people to visit our communities and increase revenue.

Other [Email responses received]

- St Clears Town Council recognises that savings have to be made during the current financial climate. Having considered the efficiency savings proposals, members would like to comment on some, but not all of the proposals. Members also felt that the document was unclear and it would be difficult to fully understand the outcome of some of the proposals, thus making it difficult to send an informed response. The Town Council also felt that some vulnerable groups were potentially being put at risk with some of the proposals, which is a real cause for concern.
- Most people who work in Carmarthenshire that drive to work have to pay for parking. Some residents pay for parking permits to park outside their own homes which seems unfair. All car parks for council staff eg st David's park, county hall, Spilman Street should charge staff to park or purchase permits, this would reduce car usage and encourage car sharing, it may also increase revenue for the council.
- Concerns for the long term prosperity of rural areas, encourage the Council to consider involving the community in programs to improve services. This might mean lobbying the Welsh Assembly and Westminster (check out the local reps) to get low interest government backed loans for local power generation. If as many are saying councillors are earning a lot then let's get them to do something that might provide local jobs, cheaper renewable energy and may even provide a profit to reinvest in community services. This is a much better forward-looking plan than, for instance, buying real estate as some English councils have done to try to invest for future income generation when funding from higher levels of government is less reliable.

Social Media Responses:

The social media managed to reach 54,900 people on Twitter and 20,800 via Facebook.

- Cut wages for hierarchy instead of increasing council tax and reduce their large pensions. Almost £1.9 million for the top 16 salaries.
- Stop paying county councillors and reduce the number of councillors required. All councillors over 60 should use bus passes instead of claiming travelling expenses.
- Stop paying for sculptures and imitation bikes.
- Stop council employees taking vans home, they should be travelling to their workplace in their own transport.
- Get rid of the drainage department and ask Welsh Water to take responsibility.
- Too many empty council houses and improvements being done that don't need doing.
- Stop supporting Parc Y Scarlets financially.
- The ire should be directed at central government as it's their austerity cuts that are responsible for the dire cut backs that all local authority departments have to make.
- Asking the public what they want to keep is like asking turkeys to vote for Christmas.
- We pay taxes to be provided with services, this is like some crazy satire where we pay more and more tax for less services.
- Invest more in renewable energy – small wind turbines on roads that generate electricity by passing traffic etc.
- Look at council internal systems for wastage and streamlining opportunities.

The consultation also included a Schools Strategy and Budget Forum meeting on the 23rd November 2018 and Trade Union Consultation Sessions on 26th November 2018 and 3rd January 2019.

Publicity

Local, regional and national press were used to inform the public how to become involved and obtain further information on the budget consultation. Information was also highlighted on the council website newsroom on 14th November, 20th November and 7th December. On 5th December the Leaders' Blog included information about the Budget consultation, relevant information was provided for dissemination via social media on 3rd and 12th December.

In addition, the consultation was publicised through relevant equality groups, including Equality Carmarthenshire and the Carmarthenshire Disability Coalition for Action. The Carmarthenshire Community and Town Council Liaison Forum held two specific meetings to discuss the budget on the 8th November and 11th December 2018 with the consultation information also circulated to all clerks in the Community and Town Council newsletter. A meeting was also held with Llanfihangel-Ar-Arth Community Council on 8th January 2019.

The public consultation phase ran from 20th November 2018 to 6th January 2019.

About Average Index Score (AIS). Sometimes known as a 'weighted average', the AIS is a way of distilling the 'balance and strength of opinion' down into one number. Useful for questions with options to 'strongly agree', 'disagree', etc., the technique is used throughout the report. Values range from 2 (*everyone* strongly agrees) to minus 2 (*everyone* strongly disagrees).

Example

10 people are asked whether they 'strongly agree', 'agree', 'have no opinion', 'disagree' or 'strongly disagree' that Wales will win the six nations.

Results...

- 3 strongly agree (each response worth 2, so=**6**)
- 3 agree (each response worth 1, so=**3**)
- 1 no opinion (each response worth 0, so=**0**)
- 1 disagree (each response worth -1, so= **-1**)
- 2 strongly disagree (each response worth -2, so=**-4**)

The AIS is calculated by adding all the numbers in bold: so, $6+3+0-1-4=4$;

Then dividing by the number of responses (10 in this case). The average index score is: $4\div 10=$ **0.4** (shown graphically below)

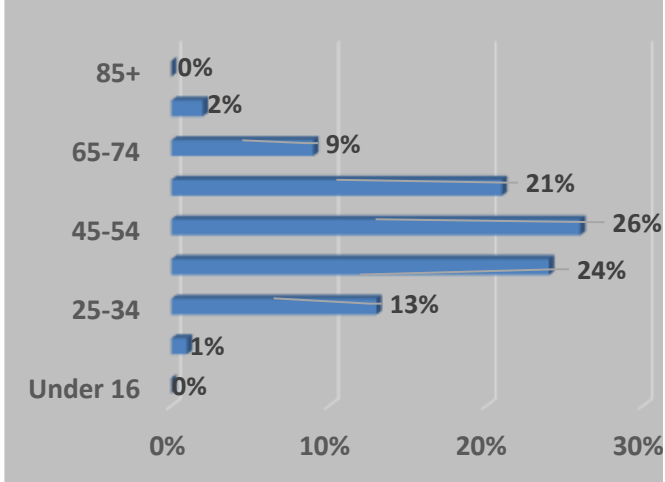


2) Respondent profile

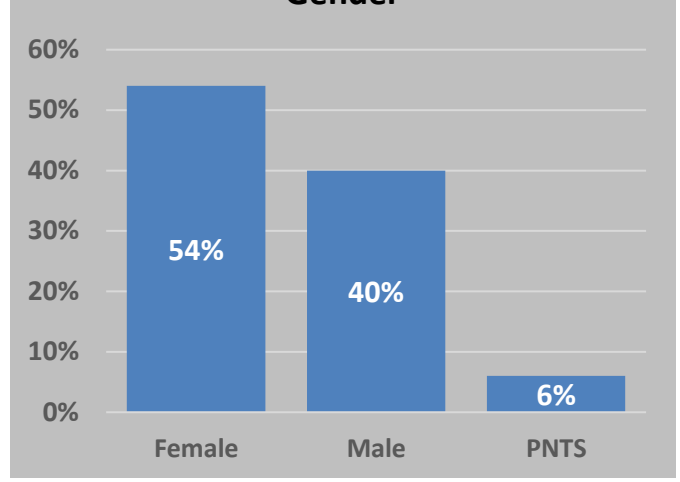
Of the 304 respondents who gave completed answers to demographic questions: 96% were from individuals and 4% from Town and Community Councils, organisations or businesses.⁵

⁵ Llanedi Community Council, Llanllwni Community Council, Ammanford Town Council, Ammanford Town Council, Llanddowror & Llanmiloe Community Council, Ysgol Bro Myrddin, Carmarthenshire Disability Partnership, Hafod Farm Stables, Ammanford Air Cadets, Lakefield Tenants & Residents Association. Comments were also received from St. Clears Town Council and Kidwelly Town Council.

Age groups



Gender



Demographic Characteristic	Overall %
Transgender	0.0%
PNTS	5.9%
Relationship status	
Single	11%
Married	64%
Separated	1%
Divorced	3%
Widowed	3%
Civil partnership	0%
Co-habiting	11%
Other	0%
PNTS	7%
Sexual orientation	
Straight	84%
LGB	4%
PNTS	12%
Religion	
Yes	36%
PNTS	14%
Caring responsibilities	
Yes	15%
PNTS	7%

Demographic Characteristic	Overall %
Ethnicity	
White	93%
BME	1%
Other	0%
PNTS	6%
Disability	
Yes	8%
No	86%
PNTS	6%
Preferred language	
Welsh	19%
English	81%
Other	0%
Income	
<£10,000	5%
£10,000 – £19,999	11%
£20,000 – £29,999	19%
£30,000 – £39,999	8%
£40,000 – £49,999	15%
£50,000 – £59,999	10%
> £60,000	14%
PNTS	18%

3) SUMMARY OF KEY FINDINGS

Headline results – all 27 proposals

The table below shows the results from the budget consultation survey. It shows details of the proposal, then gives results for the question: *'how strongly do you agree, or disagree, with this proposal'*.⁶ The table is ranked in order by AIS score. Those proposals with higher levels of support, reflected in higher AIS scores, appear first.⁷

Proposal Ranking	Proposal number	3 Year Saving (£'000)	Strongly Agree (%)	Agree (%)	Neither (%)	Disagree (%)	Strongly Disagree (%)	Average Index Score
1. Eastgate Roundabout Planting	19	19,000	46%	36%	9%	4%	5%	1.13
2. Flower Bed Planting	18	38,000	47%	33%	8%	7%	4%	1.11
3. Democratic Services	27	7,000	52%	30%	6%	8%	6%	1.10
4. Parc Howard	13	8,000	33%	39%	17%	6%	5%	0.87
5. Third Sector Contracts	16	50,000	29%	43%	14%	9%	6%	0.79
6. Grass Cutting	20	49,000	32%	38%	10%	13%	7%	0.75
7. Learning Disabilities Day Services	15	120,000	33%	35%	13%	11%	9%	0.72
8. Schools Improvement	2	70,000	28%	38%	15%	9%	10%	0.65
9. Curriculum & Well-being – Welsh & Bilingualism Improvement Teachers	5	50,000	36%	29%	12%	8%	15%	0.63
10. Children's Services – Welfare Services	8	180,000	30%	35%	13%	8%	14%	0.58
11. Day Services	17	100,000	22%	40%	13%	15%	10%	0.50
12. Household Waste & Recycling – North of County	25	140,000	23%	35%	20%	11%	11%	0.49
13. Libraries	12	8,000	23%	37%	13%	15%	12%	0.45
14. Kidwelly Industrial Museum	14	5,000	26%	26%	20%	17%	12%	0.36
15. Household Waste Recycling Centres – Ammanford & Whitland	24	25,000	21%	37%	13%	16%	13%	0.36
16. Curriculum and Well-being – Learning Transformation	3	20,000	23%	34%	14%	15%	15%	0.34

(table continued overleaf)

⁶ The survey itself gave summary information about each proposal to inform the decisions of respondents.

⁷ Values near to zero may indicate no clear consensus, or may reflect apathy in relation to the proposal.

Proposal Ranking	Proposal number	3 Year Saving (£'000)	Strongly Agree (%)	Agree (%)	Neither (%)	Disagree (%)	Strongly Disagree (%)	Average Index Score
17. Bring Sites	26	66,000	18%	35%	20%	17%	10%	0.34
18. Pendine Outdoor Centre	11	100,000	29%	25%	14%	14%	19%	0.30
19. Rural Road Sweeping	22	282,000	21%	34%	14%	15%	16%	0.28
20. Funding recouped from Delegated Schools Budget	6	600,000	24%	27%	13%	16%	20%	0.19
21. Educational Support Services to Schools	1	55,000	21%	23%	23%	14%	20%	0.11
22. Education otherwise than at School	7	110,000	17%	27%	18%	21%	18%	0.02
23. Children's Services – Education & Child Psychology	9	100,000	16%	19%	15%	21%	20%	-0.31
24. Children's Services – School Counselling Services	10	30,000	13%	20%	12%	23%	31%	-0.38
25. Curriculum & Well-being –Youth Support Services	4	150,000	14%	15%	13%	26%	32%	-0.46
26. Winter Gritting	21	32,000	14%	16%	9%	30%	31%	-0.49
27. Highways Re-surfacing	23	150,000	9%	16%	14%	32%	29%	-0.58

4) CONSULTATION FINDINGS – ALL PROPOSALS

Below, all 27 proposals are considered individually, in turn, in order to lay out a *comprehensive summary* of relevant consultation information.

Each summary begins by detailing relevant facts and figures, including the value of the proposal, its average index score (AIS), and its AIS rank against other proposals. It also gives an AIS for selected categories of respondent, for comparative purposes, and also to help meet our Equality Duty of demonstrating 'due regard' to equality. It is important to recognise that some proposals will be of specific relevance to people in certain categories. This must be taken in account in reaching decisions.

Views expressed through the public consultation - whether through surveys, - have been considered together and themes identified.

The 'insight session' section includes the views of the Sixth form pupils in the county's secondary schools.

The 'other relevant information' section includes information from *specific* sources, such as representations and organisational responses.

The views of councillors, (as expressed through budget seminars or scrutiny committees) are included under the 'councillor engagement' heading.

In the AIS charts that follow for each proposal, negative values are highlighted to show where results are, on balance, in opposition.

In order to strengthen the decision making process, where a proposal has formed part of a previous budget consultation, these results are also included, for comparative purposes.

1. Educational Support Services to Schools

Total Budget: £1,141,000
3 Year Savings: £55,000

2019 – 20	2020- 21	2021- 22
55	0	0

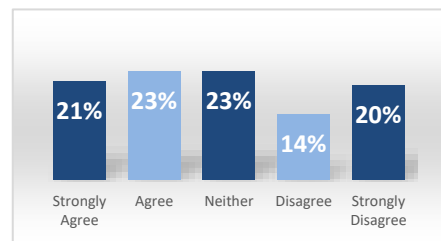
Description:

Currently Carmarthenshire contributes the sum of £55k following delegation of the grant from WG to the regional consortium and then on to the Council. Implementation of this proposal would reduce the funding retained by the regional consortium, increasing the funding available to the council. The reduction represents 5% of the budget available to the service.

Increase in Council Tax if not adopted : 0.06% (£0.76 a year)

Average Index Score: 0.11
Overall Rank (of 27): 21
Sample Size: 278

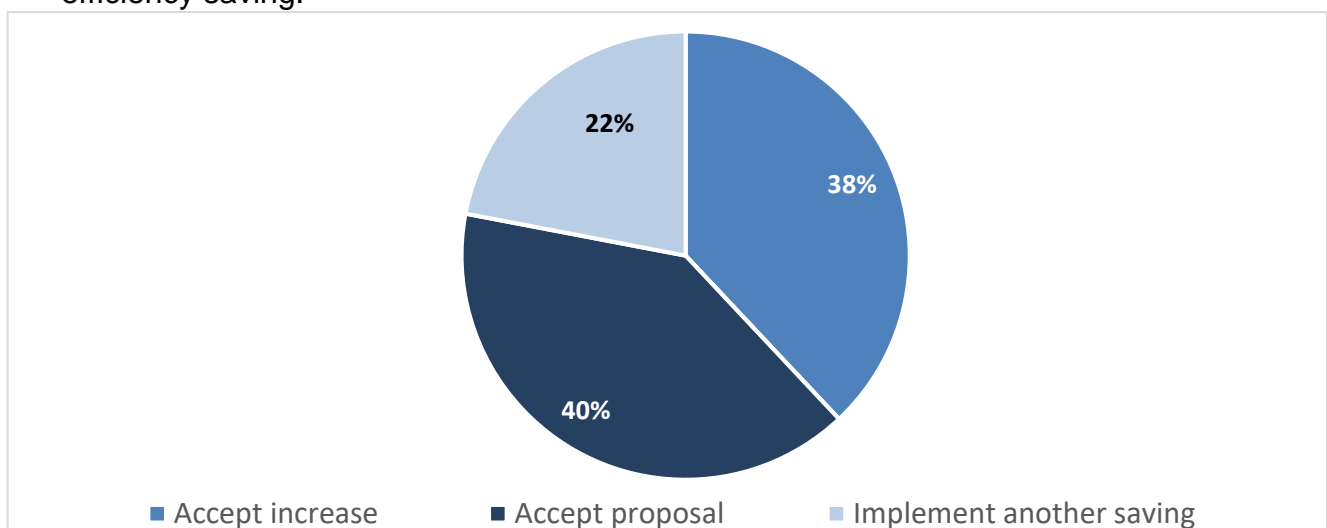
Previous AIS: 0.43 (2017)



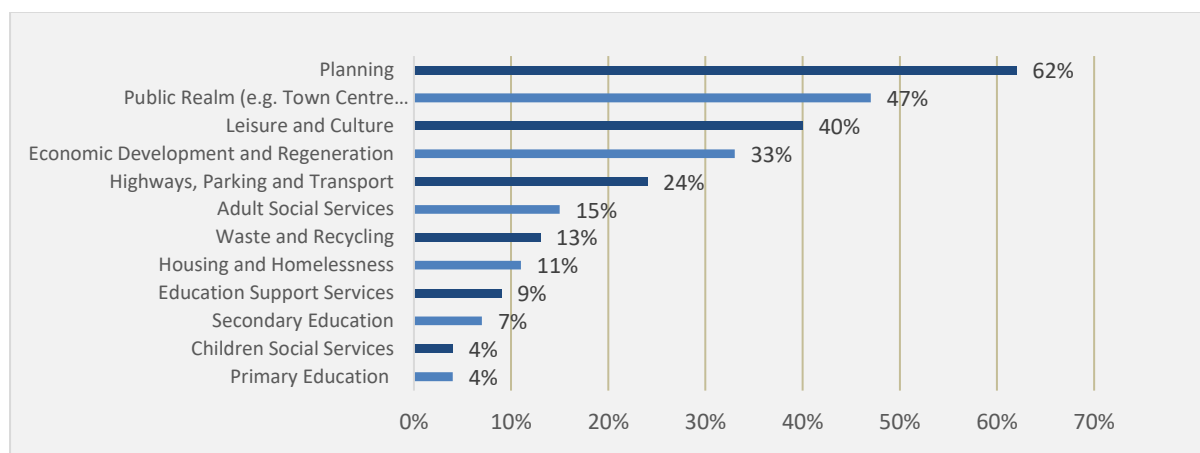
	Single	BME	16-24	25-64	65+	F	M
AIS	0.02	0.67	-2.00	0.10	0.23	-0.09	0.38
Sample	46	3	1	219	26	137	103

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.32	0.28	0.45	-0.03	-0.20	-0.06	0.18
Sample	22	93	11	40	41	67	101

Response to accepting a 0.06% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 52 responses received).



Key themes from the public consultation:

Impact – 57 comments

- Many noted a necessity to keep funding for schools and make efficiency savings elsewhere.
- Some respondents felt that ERW (Education through Regional Working) was not delivering the required stands and were ineffective.
- A few respondents expressed that this proposal would not have a significant impact on schools.

Mitigation – 40 comments

- Several respondents commented that the Council need to Re-invest the savings into schools to ensure spending is ring-fenced for essential services.
- Many respondents felt that it would be advantageous to improve leadership amongst managers within schools.
- Some comments emphasised the importance of collaboration between schools and the local authority whilst maintaining close connections with neighbouring authorities.

Councillor Engagement:

- No strong consensus amongst Members

Social Media Comments:

- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Andi Morgan 15/11/2018

2. Schools Improvement

Total Budget: £1,141,000
3 Year Savings: £70,000

2019- 20	2020 - 21	2021 - 22
20	50	0

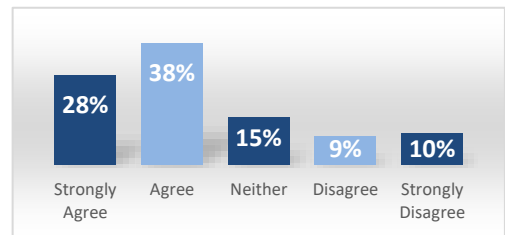
Description:

Not replacing an Advisory Team member following recent retirement. Senior Council officers are currently reviewing a range options in an attempt to mitigate any reduction in service provision and therefore ensure ongoing high quality support to our schools.

Increase in Council Tax if proposal not adopted: 0.08% (£0.97 a year)

Average Index Score: 0.65
Overall Rank (of 27): 2
Sample Size: 276

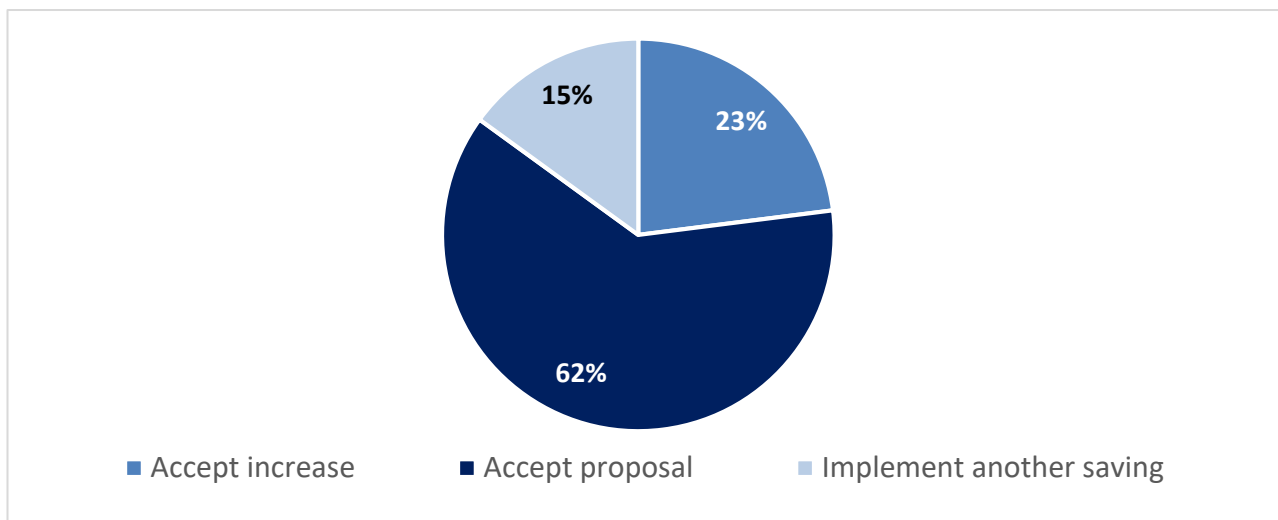
Previous AIS: 0.43 (2017)



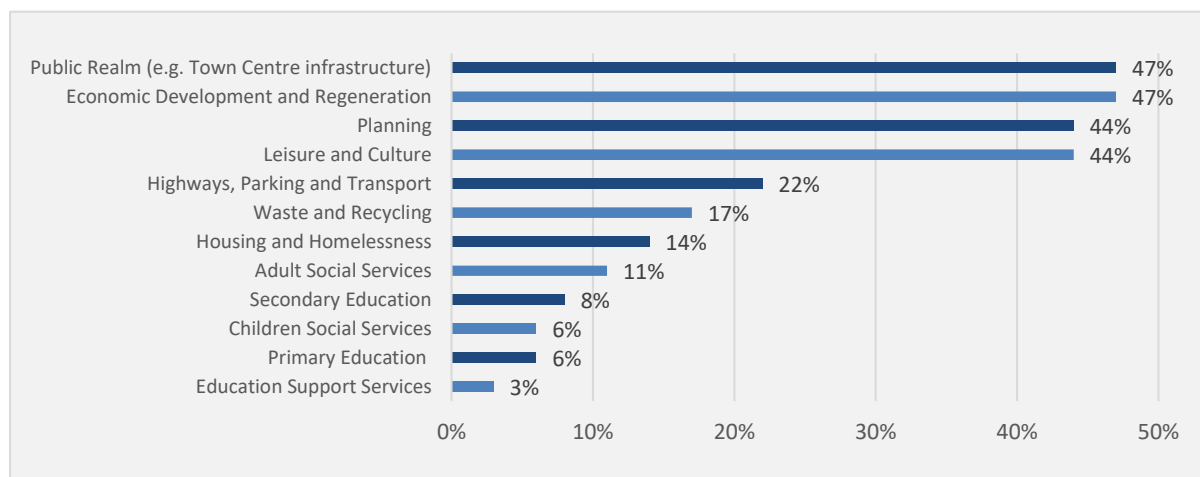
	Single	BME	16-24	25-64	65+	F	M
AIS	0.56	0.11	-1.00	0.65	0.63	0.46	0.90
Sample	45	3	2	217	27	137	103

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.50	0.57	1.18	0.59	0.56	0.62	0.63
Sample	20	93	11	39	41	66	102

Response to accepting a 0.08% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 36 responses received).



Key themes from the public consultation:

Impact – 36 comments

- Many respondents accepted this proposal but noted that the remaining staff in the section must be sufficiently supported.
- Several comments were made regarding duplication of roles. Many suggested that the re-distribution of responsibilities would not have a significant impact on the service.

Mitigation – 22 comments

- Many comments received emphasised the importance of sharing models of best practice through forums, collaborative working with other counties and schools.
- Respondents felt strongly that the remaining staff in the Schools Improvement Team must be sufficiently supported in order to deliver the service efficiently.

Insight Session:

- Solar panels used in summer can provide energy for other community services like leisure centres, use renewable resources to provide school electricity.
- Eco-clubs can be used to recruit volunteers for litter picking etc.
- Schools should have plastic free canteens – wooden cutlery and juice dispensers with plastic packaging
- Over 16s should pay for their bus fares to schools/colleges

Councillor Engagement:

- The schools would need to see a benefit. How do schools feel that ERW are performing?

Social Media Comments:

- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:
No impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Andi Morgan 15/11/2018

3. Curriculum and Well-being – Learning Transformation

Total Budget: £1,141,000
3 Year Savings: £20,000

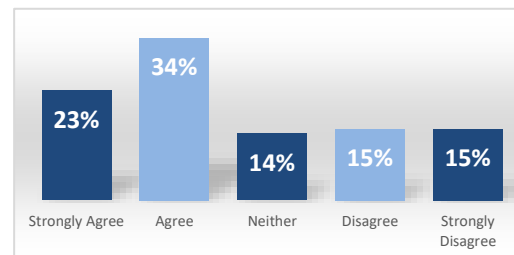
2019 - 20	2020 - 21	2021 - 22
20	0	0

Description:

Not replacing 1 Full-time member of staff following an employee leaving the service. Temporary arrangements are in place where duties have been distributed to a range of other team members. These arrangements will be monitored and evaluated. The permanent solution to this area of service delivery is anticipated to deliver a modest saving, whilst also maintaining an acceptable level of service delivery.

Increase in Council Tax if proposal not adopted: 0.02% (£0.28 a year)

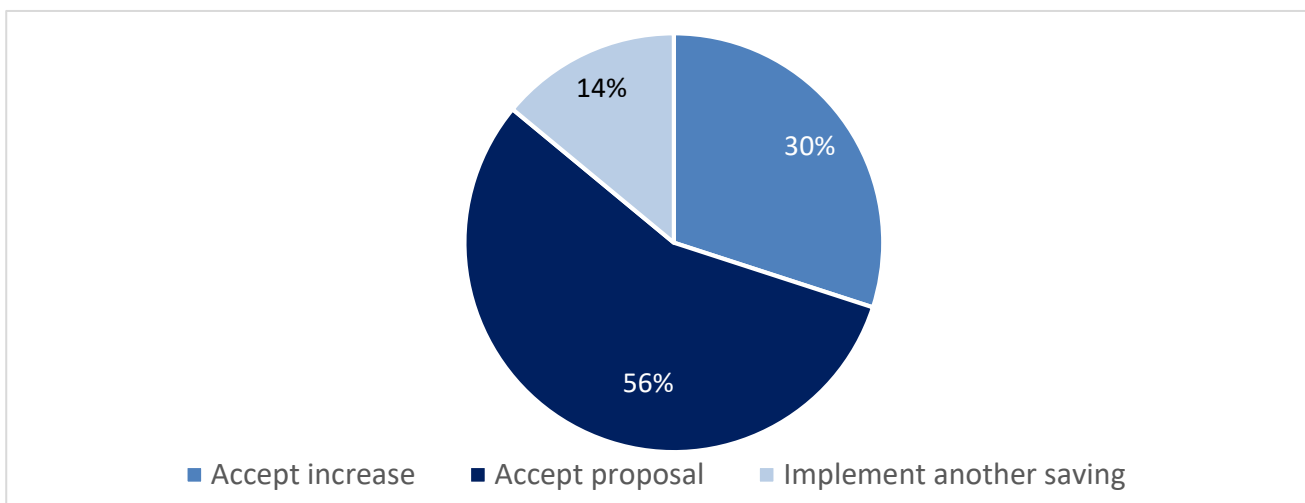
Average Index Score: 0.34
Overall Rank (of 27): 16
Sample Size: 276



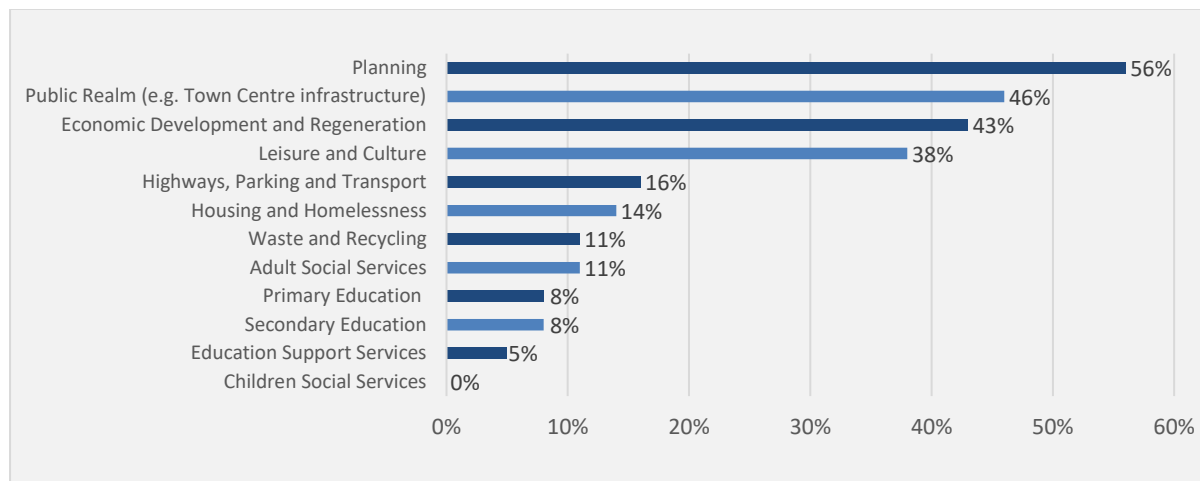
	Single	BME	16-24	25-64	65+	F	M
AIS	0.34	1.00	-0.50	0.34	0.21	0.18	0.52
Sample	47	3	2	216	28	137	103

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.25	0.32	0.45	-0.23	0.12	0.09	0.47
Sample	20	93	11	40	41	69	101

Response to accepting a 0.02% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 37 responses received).



Key themes from the public consultation:

Impact – 37 comments

- Several respondents felt that if this proposal was implemented it could have an impact on vulnerable learners.
- Many commented that if the temporary arrangements implemented made are working and there is no significant impact on the service this could be seen as a positive efficiency saving.
- Some respondents felt that this could impact vulnerable learners' future by restricting the number of opportunities available to them to develop their skills.

Mitigation – 23 comments

- Some respondents suggested that replacing the member of staff with an individual on a part-time contract, this would produce a saving whilst also maintaining service delivery.
- A number of respondents felt that this service could be conducted within schools by teaching staff.
- Some felt that collaboration with neighbouring counties was required in order to deliver this service.

Councillor Engagement:

- How are the schools benefitting from the service? If the schools are expected to make savings, then these small savings should be implemented.

Social Media Comments:

- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Aeron Rees 16/11/2018

4. Curriculum and Well-being – Youth Support Services

Total Budget: £772,000
3 Year Savings: £150,000

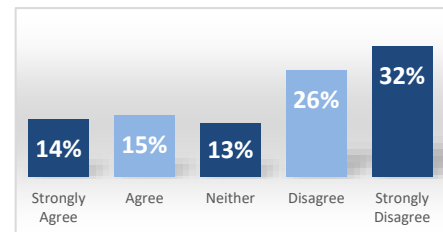
2019- 20	2020 - 21	2021 - 22
100	50	0

Description: This is a 13% reduction in 2019-20 and 20% in total of the budget available to the service. Actual reduction in the staffing capacity given to offer support young people/schools, for example in the provision of the Duke of Edinburgh Award; Costs for the school trip risk assessment software would need to be re-distributed to county schools; withdrawal of funding currently given over to support vulnerable young people (attending a town centre youth project); withdrawal of funding to 3 Welsh Language medium Youth Clubs; withdrawal of funding for specialist provision for Harmful Sexual Behaviour; not recruiting to a vacant post that are core funded. Reducing county youth club provision.

Increase in Council Tax if proposal not adopted: 0.17% (£2.07 a year)

Average Index Score: -0.46
Overall Rank (of 27): 25
Sample Size: 274

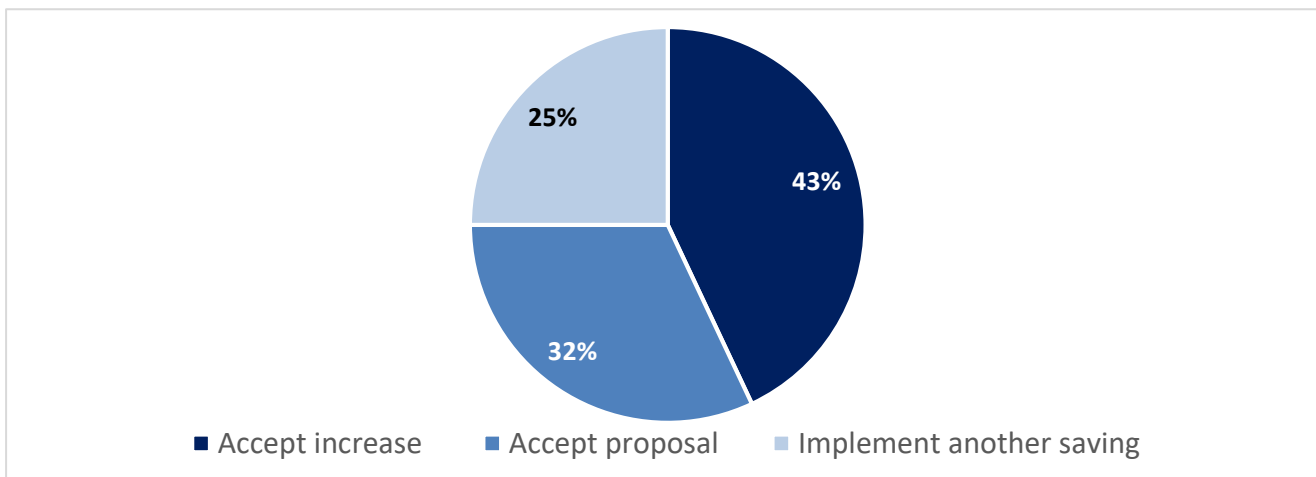
Previous AIS: -0.16 (2014)
 0.58 (2017)



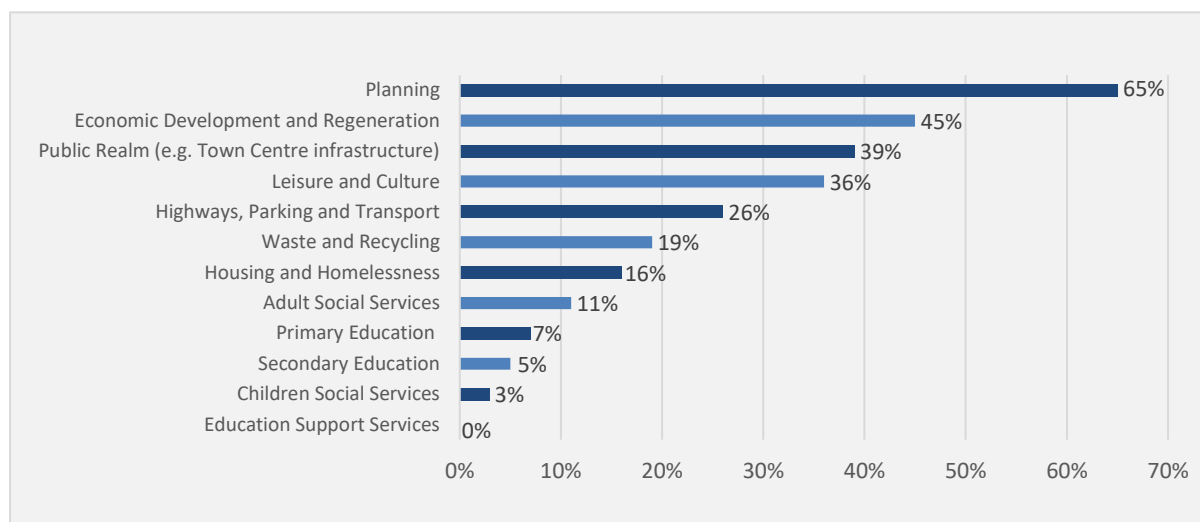
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.35	-0.33	-1.00	-0.44	-0.46	-0.65	-0.16
Sample	46	3	2	216	28	136	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.09	-0.33	0.27	-0.40	-0.64	-0.56	-0.41
Sample	22	91	11	40	39	68	102

Response to accepting a 0.17% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 62 responses received).



Key themes from the public consultation:

Impact – 52 comments

- Most respondents felt that if this proposal was implemented it would have a negative impact on the vulnerable young people in the county. More importantly many were concerned that this would have an impact on young people's, development and could impact on the community as it may lead to anti-social behaviour.
- Concerns were noted that parents and carers would be affected due to the costs they would have to burden if this funding is reduced.
- Respondents commented that schools' budgets are already tight and if they would be required to fund these services it would result in more pressures for schools.

Mitigation – 33 comments

- The majority suggested that the impact could be lessened by using voluntary organisations and volunteers.
- Many comments disagreed with the proposal noting that efficiencies should be made elsewhere.
- Other suggestions included; giving responsibility to teachers, signpost young people to other organisations, review how schools currently support these services and collaborative working.

Insight Session:

- Need to keep services, essential support for vulnerable, it brings people together, excludes social isolation. Recruit more volunteers (young and old) give them Time credits. Important service for young people aged 18-25.
- Provide more cost efficient activities that help community e.g. gardening
- Don't cut funding for Welsh youth clubs, merge Welsh and English.
- Cheaper to keep support for these services rather than dealing with NHS costs of repercussions.

- Reduce funding for Duke Of Edinburgh instead by removing the award ceremony
- Move the responsibility of risk assessment software to schools – negligible overall price of school trips
- Make the current youth clubs bilingual – Encourage Welsh speaking in other ways
- Keep funding for specialist provision for Harmful Sexual Behaviour – important service
- Withdraw funding for recruiting to a vacant post – most are able to structure around issues and cut funding for Welsh youth clubs.

Councillor Engagement:

- Councillors would not support this proposal as the service provided is valuable. What would the impact be of reducing services? Well-being of young people needs to be considered.

Equality Impact Assessment summary:

Description of impact:
<ul style="list-style-type: none"> • Young people aged 11-25 accessing youth services may be affected. • This proposal makes the service more prone to the vagaries of grant funding and potentially poses a challenge to job security for staff of working age. • Any cuts to grant funding in the future will generate some risk across the 4 pillars of YSS service delivery. • The ending of funding for Welsh Language Youth Clubs could have an effect on Welsh language speakers.
Affected groups:
Young people aged 11-25, Welsh Language
Mitigation:
<ul style="list-style-type: none"> • It is anticipated that the recent announcement relating to the strengthening of the Youth Support Grant by Welsh Government in 2019/20 will provide funding to mitigate any reduction against core funding and would be used to continue to provide the necessary staffing for Welsh Language youth clubs in the county.
Assessment undertaken: Aeron Rees 16/11/2018

5. Curriculum and Well-being – Welsh and Bilingualism Improvement Teachers

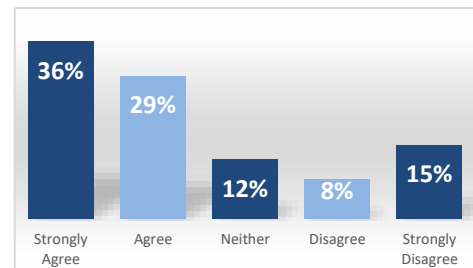
Total Budget: £286,000
3 Year Savings: £50,000

2019-20	2020 - 21	2021 - 22
25	25	0

Description: Reduction of 1 advisory teacher available to support schools by not replacing a member of staff who will be retiring.
 The staffing will be restructured to accommodate this saving. Service provision will need to adjust accordingly.

Increase in Council Tax if proposal not adopted: 0.06% (£0.69 a year)

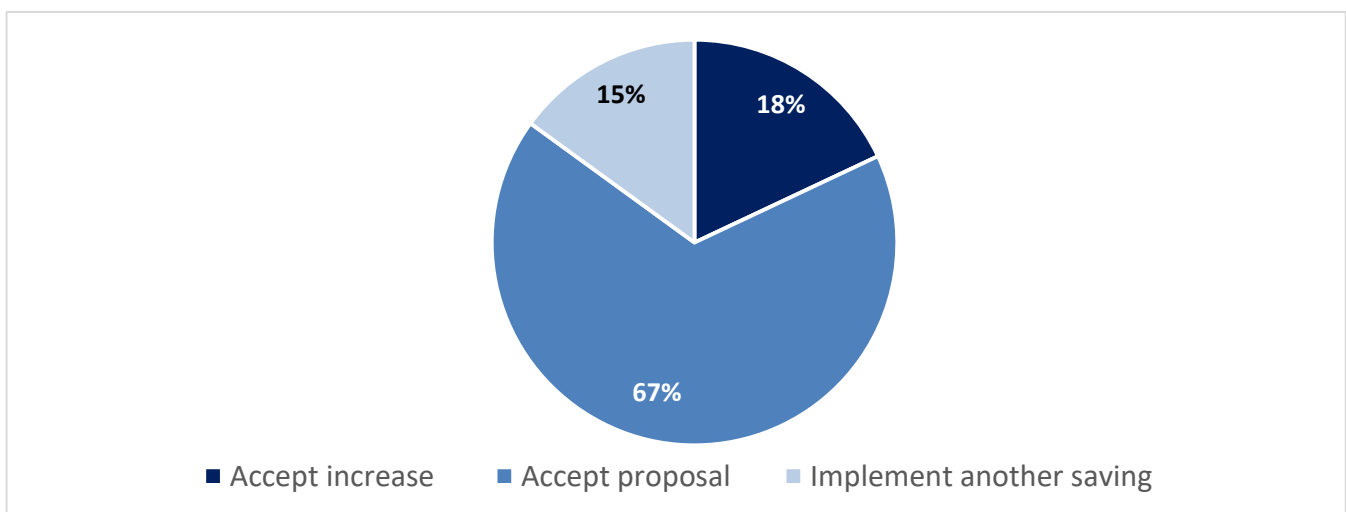
Average Index Score: 0.63
Overall Rank (of 27): 9
Sample Size: 278



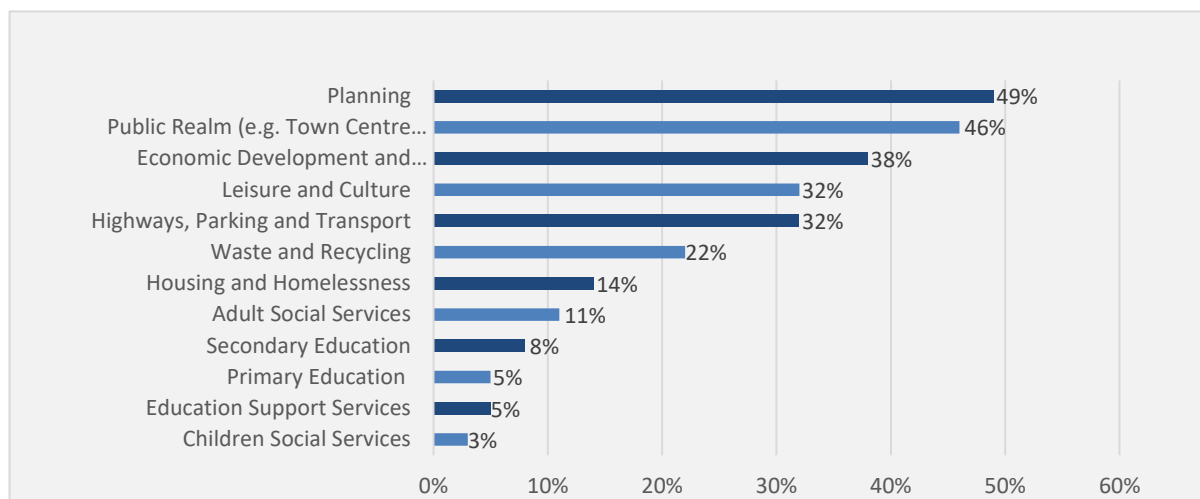
	Single	BME	16-24	25-64	65+	F	M
AIS	0.54	1.00	-1.00	0.70	0.61	0.59	0.83
Sample	48	3	2	220	28	140	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.82	0.72	1.27	0.38	0.47	0.61	0.78
Sample	22	94	11	40	40	70	103

Response to accepting a 0.06% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 37 responses received).



Key themes from the public consultation:

Impact – 36 comments

- Many respondents felt that this proposal would have an impact on reaching targets set by Welsh Government.
- Many respondents felt that the importance of the Welsh language, culture and identity would be affected if this proposal was implemented.
- Some respondents felt that newcomers and latecomers to the county may feel stigmatised due to their inability to converse in Welsh.

Mitigation – 24 comments

- Some respondents noted that it would be beneficial if current and retired Welsh language teachers supported students on a voluntarily basis.
- Respondent felt that services such as this needed to be better managed in order to be more efficient.
- Many respondents suggested that collaborative working with other local authorities would enable the delivery of this service.

Insight Session:

- Delegate Welsh speaking schools geographically.

Councillor Engagement:

- Councillors wanted information on the value of the saving versus the value of the support.
- This contradicts the authority's efforts to increase the number of Welsh speakers.

Social Media Comments:

- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:

- Reduction of Welsh advisory teachers could affect the teaching of Welsh as a subject and teaching through the medium of Welsh. It could affect provision for latecomers to the county

Affected groups:

Welsh Language

Mitigation:

- Restructure the service accordingly

Assessment undertaken: Aeron Rees 16/11/2018

6. Funding recouped from Delegated Schools' Budget following school closure

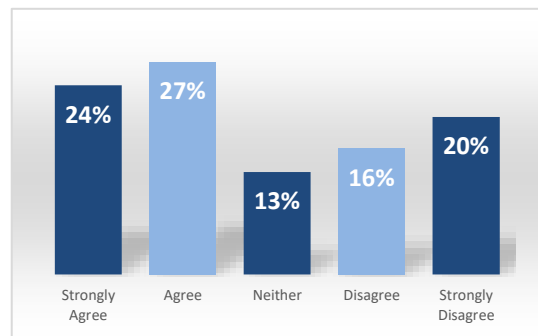
Total Budget: £55,897,000
3 Year Savings: £600,000

2019 - 20	2020 - 21	2021 - 22
100	250	250

Description: The premises costs will be recouped from school closures. This would mean that in future, any school buildings/premises cost saving is contributed to efficiency savings rather than being redistributed to other schools.

Increase in Council Tax if proposal not adopted: 0.69% (£8.28 a year)

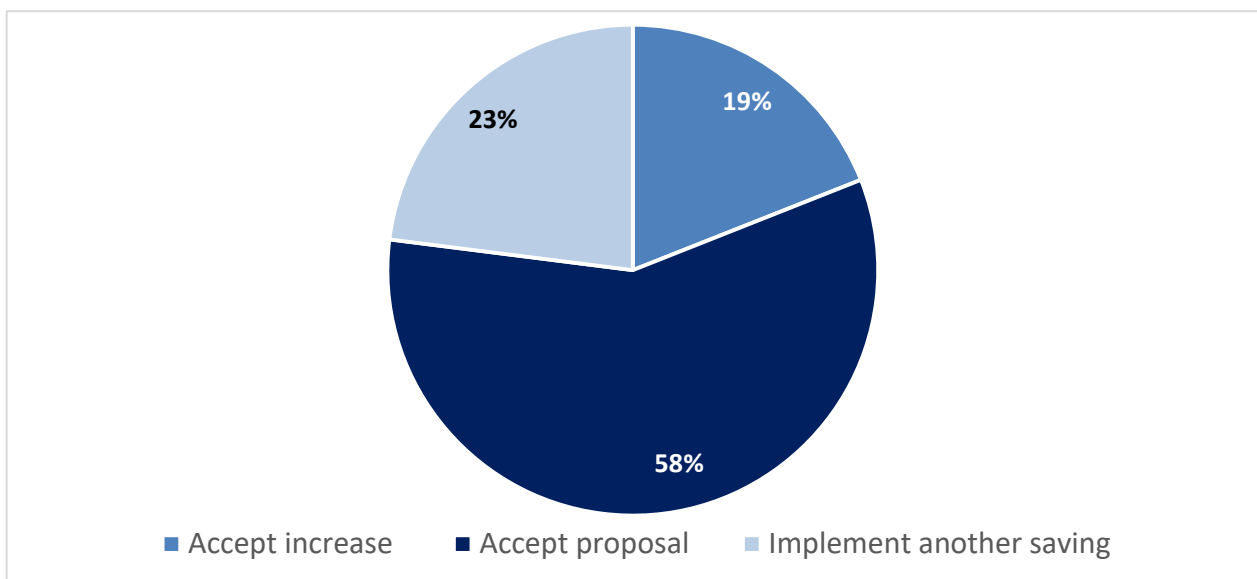
Average Index Score: 0.19
Rank (of 27): 20
Sample Size: 277



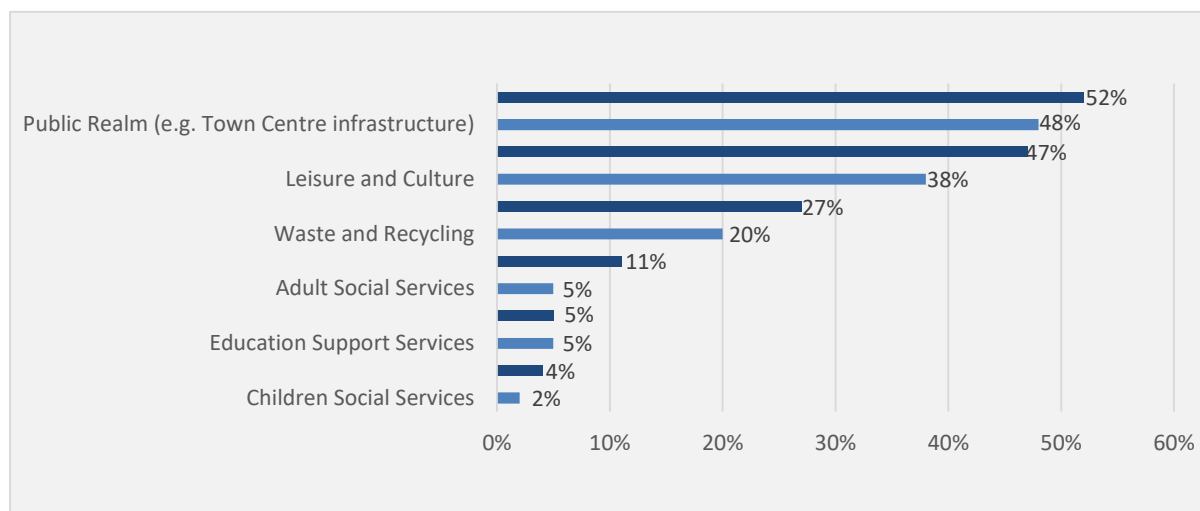
	Single	BME	16-24	25-64	65+	F	M
AIS	0.17	1.33	-2.00	0.22	0.35	0.16	0.37
Sample	47	3	1	222	26	138	105

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.52	0.46	0.64	0.17	0.15	0.04	0.40
Sample	21	92	11	40	41	67	104

Response to accepting a 0.69% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 56 responses received).



Key themes from the public consultation:

Impact – 33 comments

- Many respondents noted that the implementation of this proposal would have a significant impact on pupils and schools.
- Some respondents stated that due to school closures, other schools are becoming over populated which means larger class sizes and increased pressures on teaching staff.

Mitigation – 23 comments

- The majority of respondents disagreed to the implementation of this proposal stating that funding should be redistributed in to other schools.
- Some respondents stated that transport to alternative schools should be improved when schools are closed.
- Some respondents felt that the distribution of funding to schools was unfair and that evaluations should be made on a case by case basis.

Insight Session:

- Federation between schools would be more effective, less money would be spent overall. This would also increase social skills for pupils when exposed to more students.

Councillor Engagement:

- Preferred federation over closure however accepted that closure may need to be considered sometimes.
- Preferred over blanket cuts to Schools Delegated Budget.
- Location of some proposals will influence some members.

Equality Impact Assessment summary:

Description of impact:

No Impact

Affected groups:

Not Applicable

Mitigation:

Not Applicable

Assessment undertaken: Andi Morgan 17/11/2018

7. Education Otherwise than at School

Total Budget: £1,488,000
3 Year Savings: £110,000

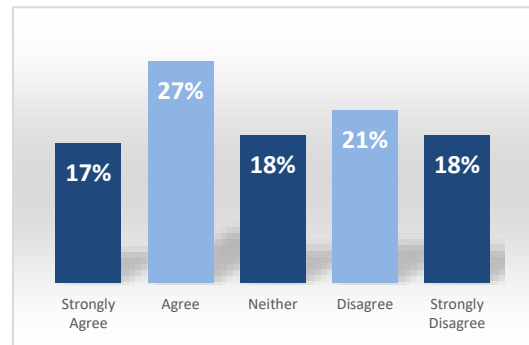
2019- 20	2020 - 21	2021 - 22
60	50	0

Description: Under this proposal, the council will reconsider recoupment of the true value of provision from schools (ensuring consideration of all elements of cost related activities e.g. officer time within administration / monitoring and progress reviews etc). Currently, the Council only recoups the allocated basic entitlement funding for pupils in mainstream education and not the true cost of provision.

Increase in Council Tax if proposal not adopted: 0.13% (£1.52 a year)

Average Index Score: 0.02
Overall Rank (of 27): 22
Sample Size: 267

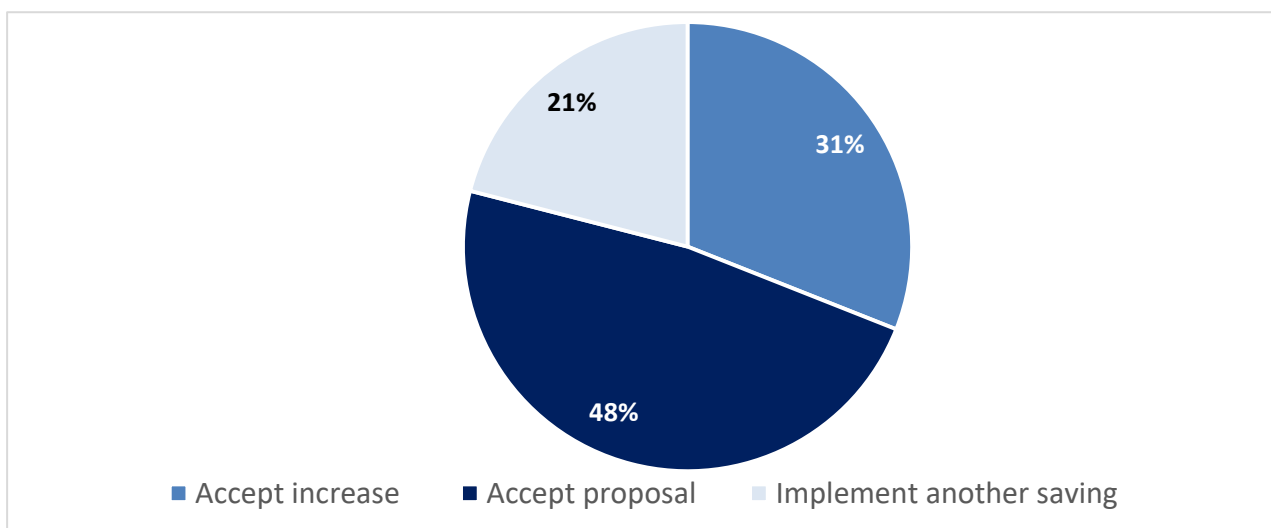
Previous AIS: -0.42 (2017)



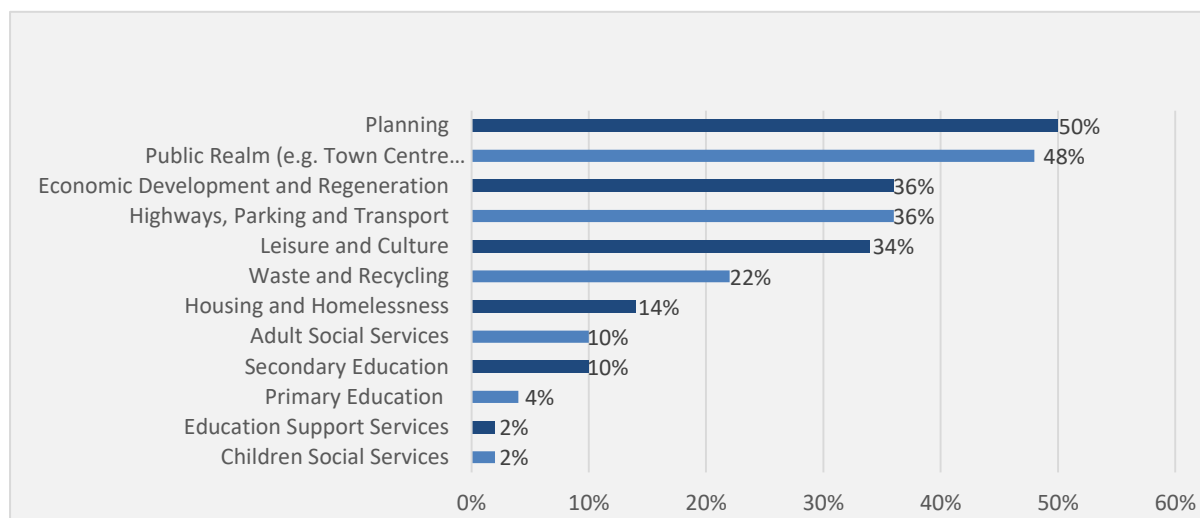
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.04	0.67	-2.00	0.03	0.30	-0.05	0.18
Sample	46	3	1	213	27	131	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.29	0.20	1.09	0.40	0.00	0.00	0.01
Sample	21	91	11	40	40	65	100

Response to accepting a 0.13% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 50 responses received).



Key themes from the public consultation:

Impact – 36 comments

- The majority of respondents expressed concerns about the impact this proposal would have on vulnerable pupils and that the lack of funding may lead to negative consequences.
- Some respondents felt that if this proposal was implemented it may have a negative impact on families due to the added pressures.
- A few respondents were concerned that this would increase pressure on schools due to the increase in pupils that would be required to attend mainstream schools instead of being offered the services that are currently received.
- A few respondents were Some respondents noted that they disagreed with this proposal and did not want funding reduced for this service.

Mitigation – 22 comments

- Some respondents suggested using third sector organisations and voluntary organisations to assist in providing this provision.

Insight Session:

- Train teachers to specialise so that their aware of the pressures on pupils that are dealing with mental health issues. (This would cost approximately £200-£250 a day). This may be expensive during the first year but it will help pupils receive good education in the long term.
- Employ experts to speak to pupils that are mis-behaving instead of sending them out of classes – ensure that pupils are receiving a high level of education. (The cost for high level of education would be approximately £5,500, at the most £15,000).
- There are 100-115 pupils attending the centre instead of being at school and the number is increasing. If pupils stay in the schools it can have a negative effect on fellow pupils education - we do not agree to increasing the cost to schools.

Councillor Engagement:

- Councillors wondered whether the true cost could be recouped over all schools in general rather than the individual schools.
- Worried that pupils may not be referred at all due to the cost which will have a detrimental effect on the pupils, or on schools with more challenging cohorts.

Social Media Comments:

- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Andi Morgan 15/11/2018

8. Children's Services – Welfare Service

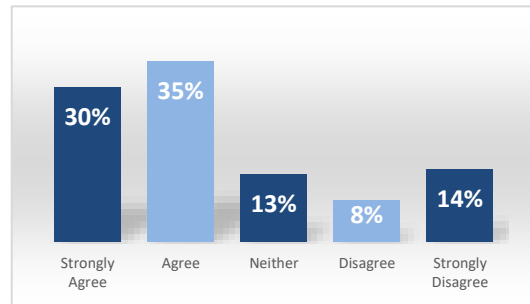
Total Budget: £393,000
3 Year Savings: £180,000

2019 - 20	2020 - 21	2021- 22
180	0	0

Description: Cease provision of service to schools who already manage most aspects of attendance. Staff will be redeployed.
 Balance of budget maintained to ensure Local Authority's statutory responsibilities can be met.

Increase in Council Tax if proposal not adopted: 0.21% (£2.48 a year)

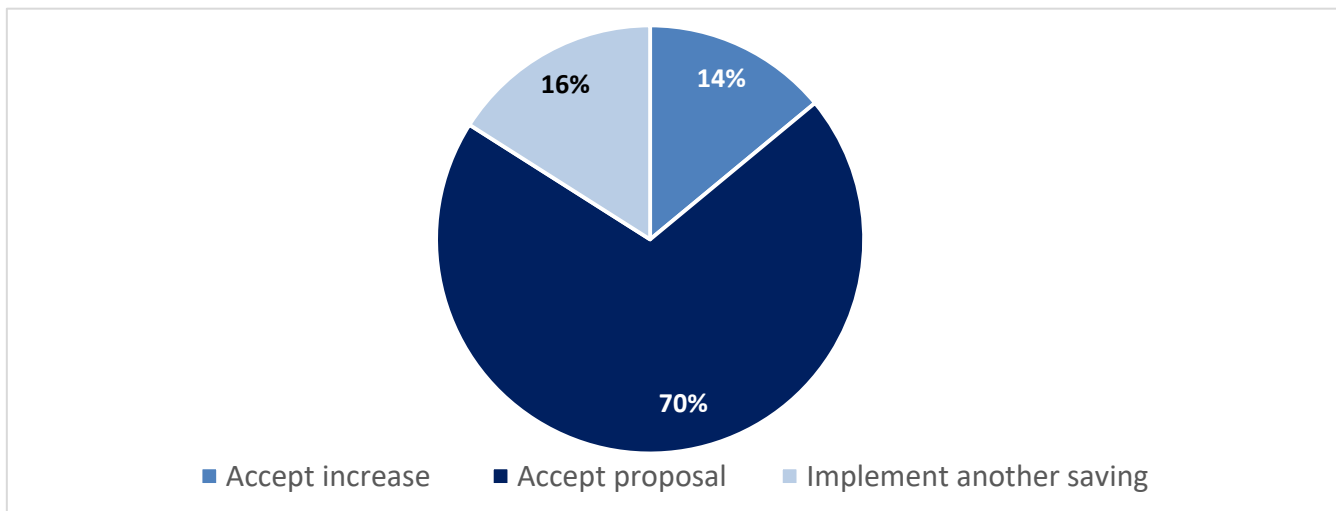
Average Index Score: 0.58
Overall Rank (of 27): 10
Sample Size: 268



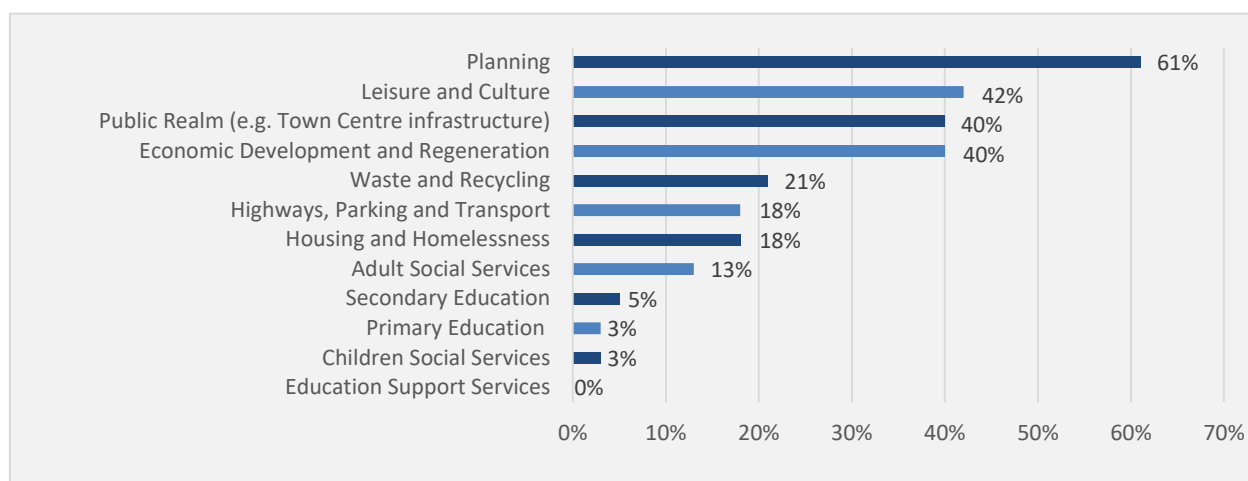
	Single	BME	16-24	25-64	65+	F	M
AIS	0.35	0.67	-1.00	0.57	0.70	0.48	0.73
Sample	43	3	2	214	27	135	102

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.64	0.62	1.00	0.82	0.72	0.62	0.49
Sample	22	91	11	40	40	65	103

Response to accepting a 0.21% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 38 responses received).



Key themes from the public consultation:

Impact – 35 comments

- Some respondents indicated that this proposal would have a significant negative impact on pupils who are in vital need of the support of this service.
- Some respondents stated that implementing this proposal would have a negative impact on schools as it would increase the pressure on them to self-manage.

Mitigation – 24 comments

- Respondents suggested that sanctions should be enforced in order to improve the service.
- Many respondents noted that schools need to be empowered in order to ensure that students' attendance is monitored. Strong support is required in order to ensure the Welfare service is continued.
- Some respondents suggested that this service could be provided in partnership with other organisations such as Police, voluntary organisations, youth workers.

Councillor Engagement:

- Councillors wanted information on how valuable the service is to the schools.
- This is a preventative service, what would be the long term cost if this service was reduce.

Social Media Comments:

- Cutting the Education Welfare service will cause future problems for people in society and result in costing more in the long run. Who will work with the hundreds of vulnerable children known to the service who require increased support from an already swamped child and family service.
- Don't punish children for being born poor or to parents who don't care about their future or education. You may as well bring back the poor laws and the work house.
- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:
<ul style="list-style-type: none">• There is a risk that the level of school attendance could decline, although this wouldn't affect any one protected characteristic.
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Stefan Smith 16/11/2018

9. Children's Services – Education and Child Psychology

Total Budget: £540,000
3 Year Savings: £100,000

2019 - 20	2020 - 21	2021 - 22
50	50	0

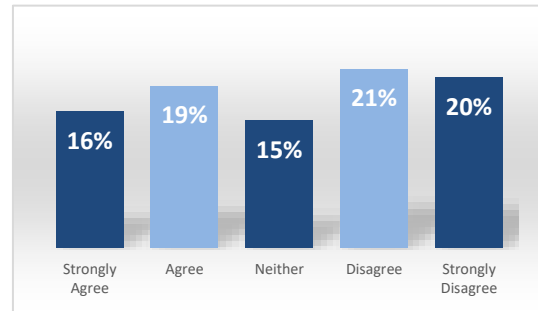
Description:

Reduce number of Education and Child Psychologists.

Increase in Council Tax if proposal not adopted: 0.12% (£1.38 a year)

Average Index Score: -0.31
Overall Rank (of 27): 23
Sample Size: 270

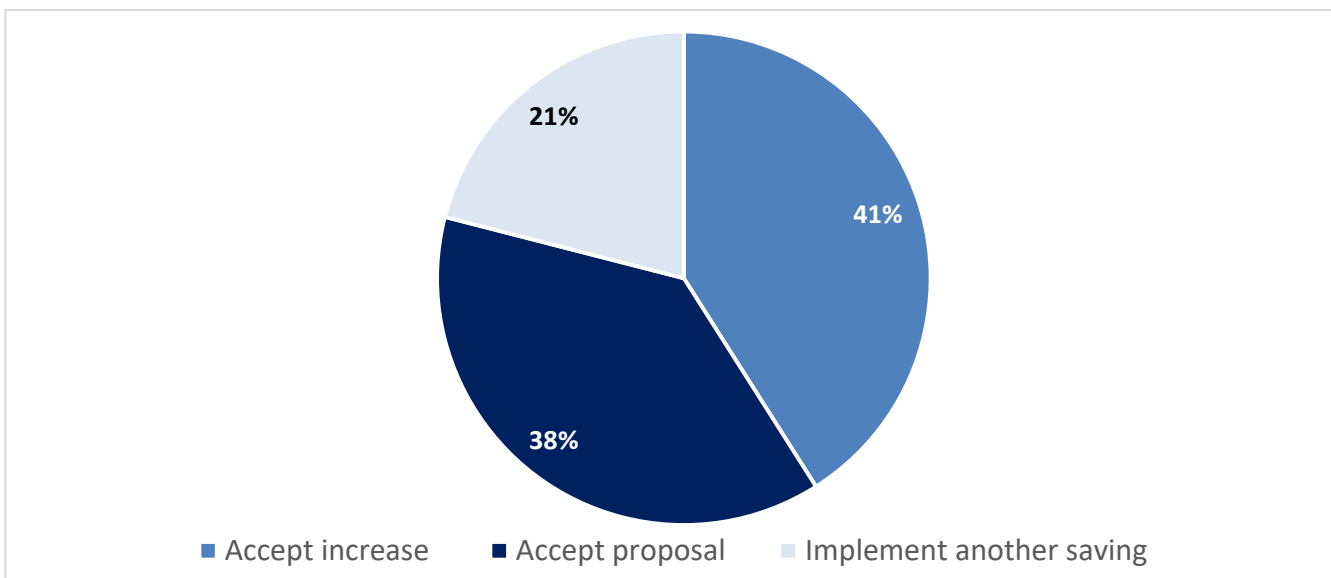
Previous AIS: -0.33 (2016)
 0.32 (2017)



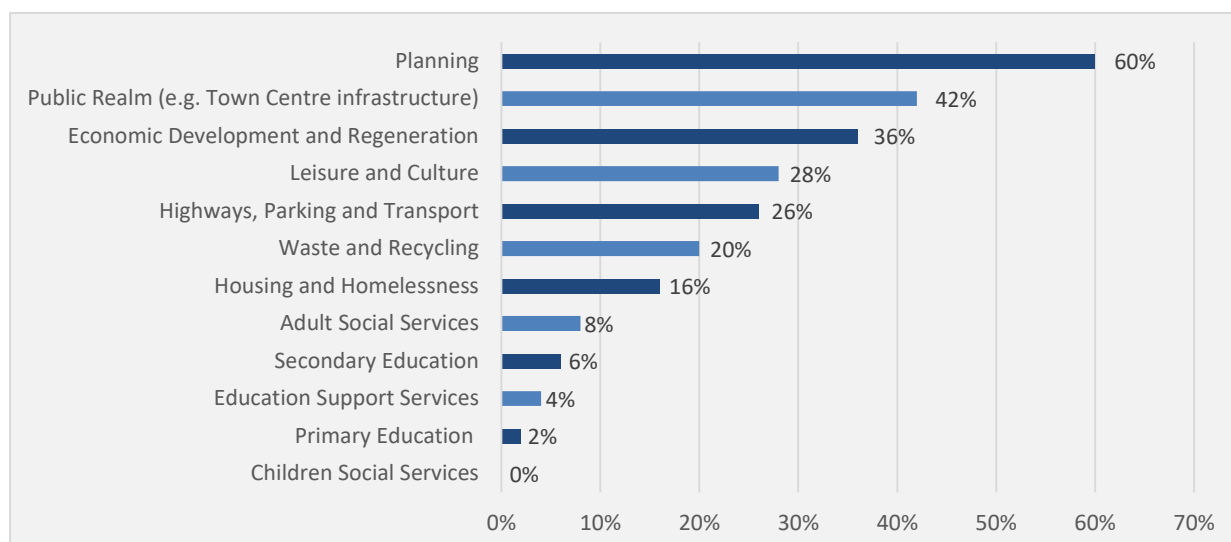
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.16	1.00	-2.00	-0.42	0.41	-0.63	0.10
Sample	45	3	1	218	27	136	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.05	-0.32	-0.09	-0.15	-0.36	-0.28	-0.47
Sample	22	93	11	39	39	67	103

Response to accepting a 0.12% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 50 responses received).



Key themes from the public consultation:

Impact – 40 comments

- The majority of respondents felt that a reduction in educational psychologist would have a significant impact on those pupils that use the service. Children currently have to wait an unreasonable amount of time to access this particular service and a reduction in psychologists would put a further strain on an already pressurised service.
- Many respondents felt that implementing this proposal would have an impact on the families of the pupils that use this service.
- Some respondents felt this would lead to increased pressure on teaching staff to provide this support.
- Many respondents noted that the impact of this proposal could not be reduced as it is a vital service.

Mitigation – 20 comments

- The majority of respondents suggested upskilling current teaching staff so that they are able to detect issues in pupils. Some also suggested using voluntary organisations to assist with counselling sessions for pupils.

Councillor Engagement:

- There aren't enough educational psychologists as it is let alone reducing the service.
- Early intervention is required as this can provide substantial savings later on.

Social Media Comments:

- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Stefan Smith 16/11/2018

10. Children's Services – School Counselling Service

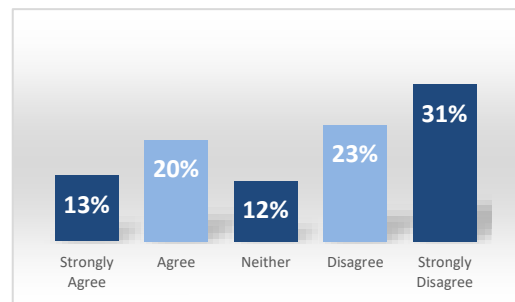
Total Budget: £303,000
3 Year Savings: £130,000

2019 - 20	2020 - 21	2021 - 22
0	0	30

Description: A reduction in this budget will result in a reduced direct service to schools/young people. However, with an increasing focus in our new curriculum on wellbeing we hope to further develop the universal offer provided by our schools and the Council.

Increase in Council Tax if proposal not adopted: 0.03% (£0.41 a year)

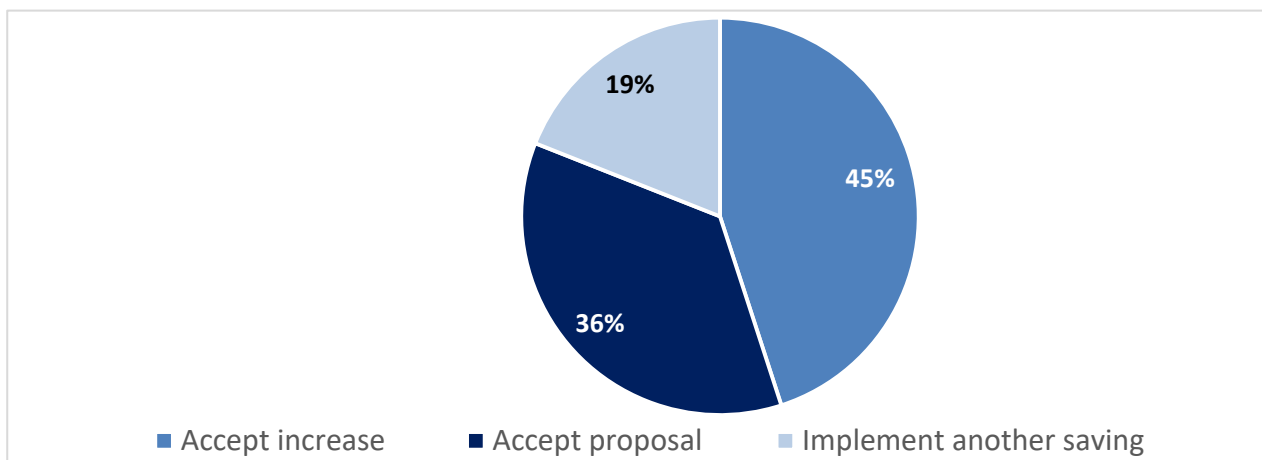
Average Index Score: -0.38
Overall Rank (of 27): 24
Sample Size: 267



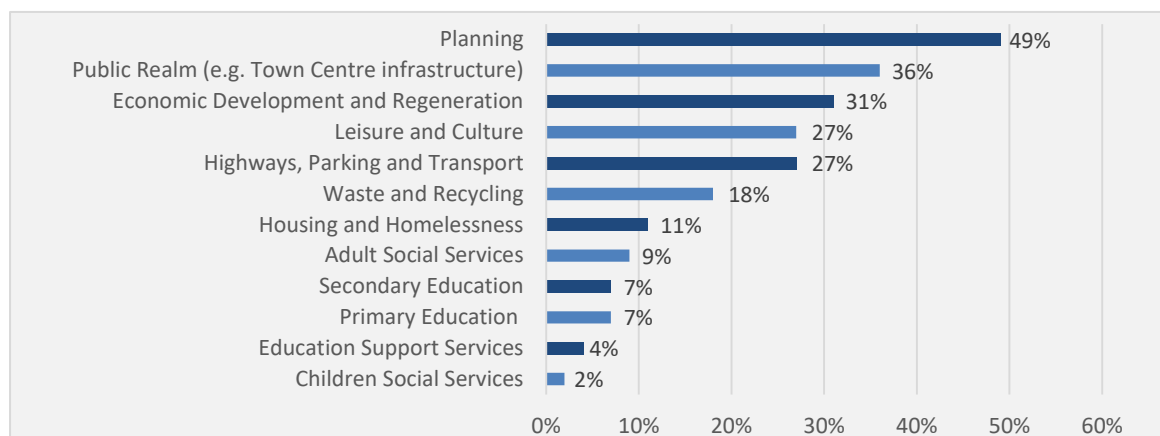
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.29	1.33	-1.00	-0.44	0.15	-0.61	-0.06
Sample	45	3	1	213	27	132	103

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.38	-0.19	-0.20	-0.20	-0.45	-0.48	-0.44
Sample	21	93	10	40	40	66	99

Response to accepting a 0.03% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public prefer to see efficiency savings being made. (Total of 45 responses received).



Key themes from the public consultation:

Impact – 39 comments

- A large portion of the respondents suggested that this proposal would have a significant impact on pupils that use this service. Many felt that the service is already at capacity and a reduction in direct services to schools would increase the pressure on a service that is already at full capacity level.
- Some respondents felt that implementing this proposal would have an impact on families that require the support of this service.
- Some concerns were noted that this would increase the pressure placed on teachers as they would be required to provide the necessary support to pupils.

Mitigation – 19 comments

- A number of respondents felt that the impact of this proposal could not be lessened.
- Some respondents suggested working with the voluntary sector in order to provide support to children.
- Some suggested working collaboratively with other schools and/or other counties to help provide this support.

Insight Session:

- Mental Health is important and shouldn't be compromised, awareness of mental health issues is already low and cutting the service will only make it worse. Better training and understanding of mental health and personal issues in schools is needed for everyone – teachers and pupils and more advertisement regarding counselling services. Much of this could be undertaken in PSE classes within schools.
- Keep the current funding - Important for the community, cannot reduce the access for people in need and school performances would be affected if this proposal was accepted and keeping this service would reduce stress on other services such as the NHS.
- It may be better for students if they had to go to the NHS rather than seeing a school counsellor but the process is very long. GP often cannot diagnose and they need to wait to be referred to a specialist which can take several months.

- There is a stigma around school's regarding counselling, a better approach to more welcoming sessions is needed. There is a need to neutralise the name of counselling. Against the idea of less direct services to schools as there is already a lack of counselling sessions in schools. We would accept this proposal as it would lead to a justified increase in council tax

Councillor Engagement:

- This provides a valuable service and there aren't enough councillors as it is.
- This is a preventative service and reducing it could have further cost implications.

Social Media Comments:

- No cuts to education, they are already struggling, they are our future.

Equality Impact Assessment summary:

Description of impact:
<ul style="list-style-type: none"> • There may be a reduction in level of service to schools/young people which could affect some groups/characteristic disproportionately due to the proportion of these groups that may require additional support.
Affected groups:
Disabled, Gender reassignment, Race, Pregnancy and Maternity, Sexual Orientation, Sex
Mitigation:
Not Applicable
Assessment undertaken: Stefan Smith 16/11/2018

11. Pendine Outdoor Education Centre

Total Budget: £160,000
3 Year Savings: £100,000

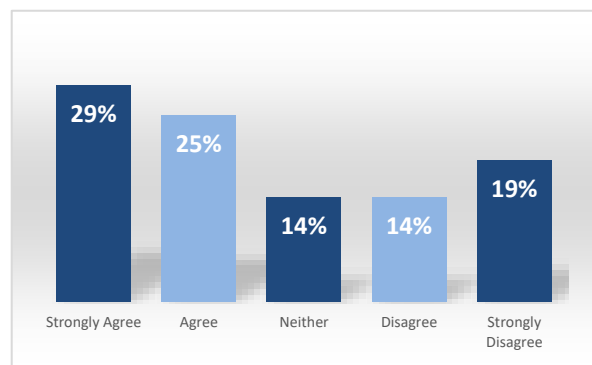
2019 - 20	2020 - 21	2021 - 22
0	50	50

Description:

The proposal is to close the Outdoor Education Centre. The service is not statutory and can be provided by alternative private providers, albeit at greater cost. The centre's infrastructure requires investment to meet modern standards.

Increase in Council Tax if proposal not adopted: 0.12% (£1.38 a year)

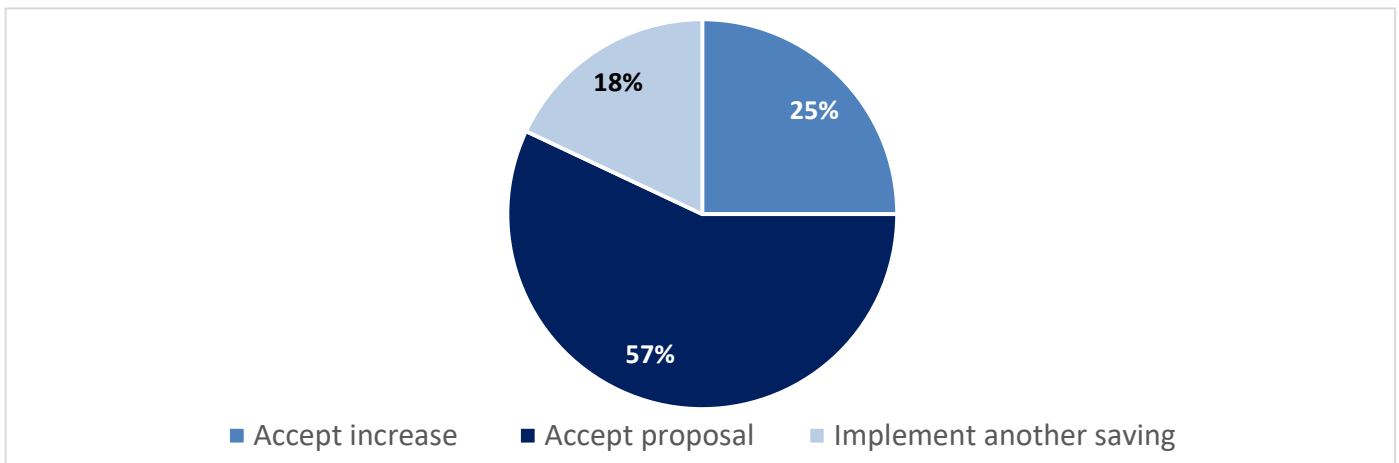
Average Index Score: 0.30
Overall Rank (of 27): 18
Sample Size: 277



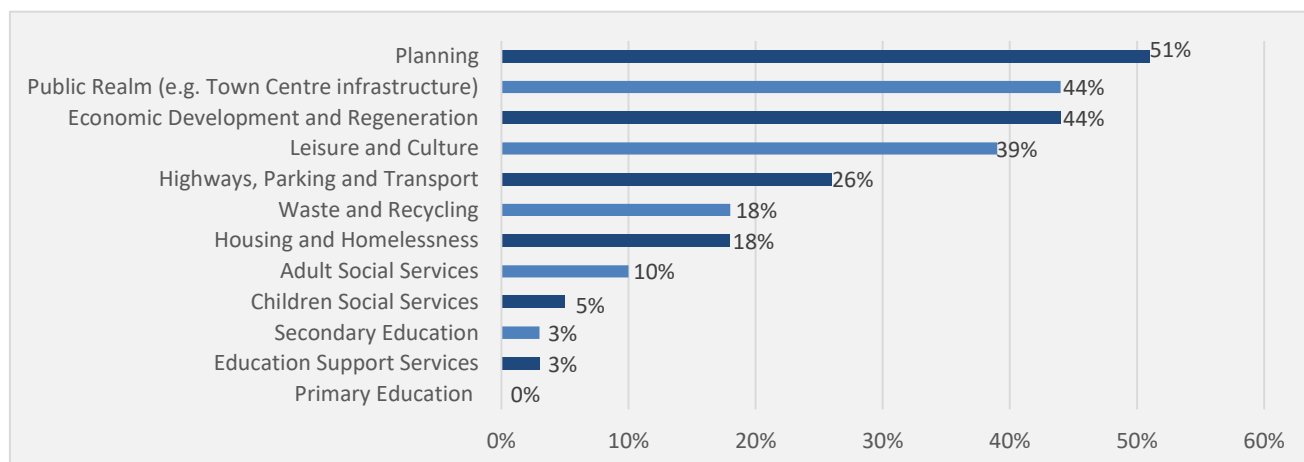
	Single	BME	16-24	25-64	65+	F	M
AIS	0.39	0.67	-1.00	0.30	-0.59	0.17	0.60
Sample	44	3	2	218	27	137	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.69	0.38	-0.09	0.46	-0.07	0.26	0.52
Sample	21	92	11	39	40	68	101

Response to accepting a 0.12% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 39 responses received).



Key themes from the public consultation:

Impact – 33 comments

- Many respondents noted that the implementation of this proposal would affect the lower income families. Many stated that Pendine Outdoor Education Centre gave many children the opportunity to experience their first holiday.
- Many respondents commented that this Centre was a vital educational resource and an important step in a child's life and that it affect the children more than anyone else. Respondents also stated that the implementation of this proposal would have a direct effect on the employees that are employed at the establishment.

Mitigation – 36 comments

- Some noted the need to keep this facility open and the Council should look at sharing the costs or out-sourcing to an external company.
- Some respondents suggested that the costs to run Pendine Outdoor Education Centre could be shared between neighbouring local authorities as a regional based facility.

Insight Session:

- We do not agree to the closure of Pendine Outdoor Centre as for most pupils it is the first away from home adventure that they experience and it gives children from low income families opportunities they otherwise would not experience.
- All buildings are old and need renovation, the use of Solar and wind power would be more efficient and help to reduce maintenance costs as well as providing education opportunities involving eco-energy.
- Train volunteers to be qualified and work their way up to assist, and only open at peak times as well as opening for communities to use.
- Explore the possibility of trusts and cut back on more expensive activities.

Councillor Engagement:

- There was no support for this proposal. Some Members felt there should be an Executive Board or wider Member site visit and further information before a decision can be made. Support for the existing accommodation provision to be upgraded was expressed.

Social Media Comments:

- Pendine Outdoor Centre is better value for money than some alternatives and offers such a good experience to children who may not have access to such activities.
- Didn't realise Pendine Outdoor Centre was funded by the council, support the proposal.

Equality Impact Assessment summary:**Description of impact:**

- Existing Centre users (predominately School groups) will have to access private sector outdoor education residential provision outside of Carmarthenshire which is likely to cost more financially and in time for travel. Alternatively, Schools may decide not to access residential outdoor education at all. Alternative provision may also not align or have content relevant to the National Curriculum guidance.
- Pendine Outdoor Education Centre aims to provide a bilingual service to the Schools in Carmarthenshire. There is no guarantee that alternative provision can be provided bilingually.

Affected groups:

Age, Disability, Welsh Language

Mitigation:

- The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
- Current users will have to assess if alternative service provision outside of Pendine Outdoor Education Centre caters for Welsh language provision.

Assessment undertaken: Ian Jones 29/11/2018

12. Libraries

Total budget: £2,421,000
3 Year Savings: £20,000

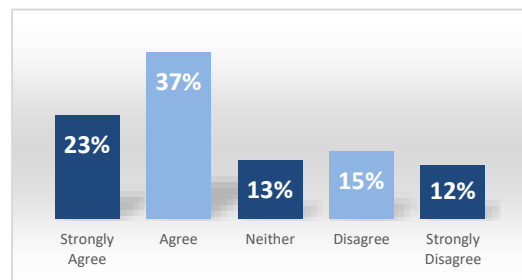
2019 - 20	2020 - 21	2021 - 22
10	5	5

Description: This proposal considers the potential to co-locate branch libraries with other businesses or premises to help reduce running costs and potentially increase visitor numbers

Increase in Council tax if not adopted: 0.02% (£0.28 a year)

Average index score: 0.45
Overall Rank (of 27): 13
Sample Size: 274

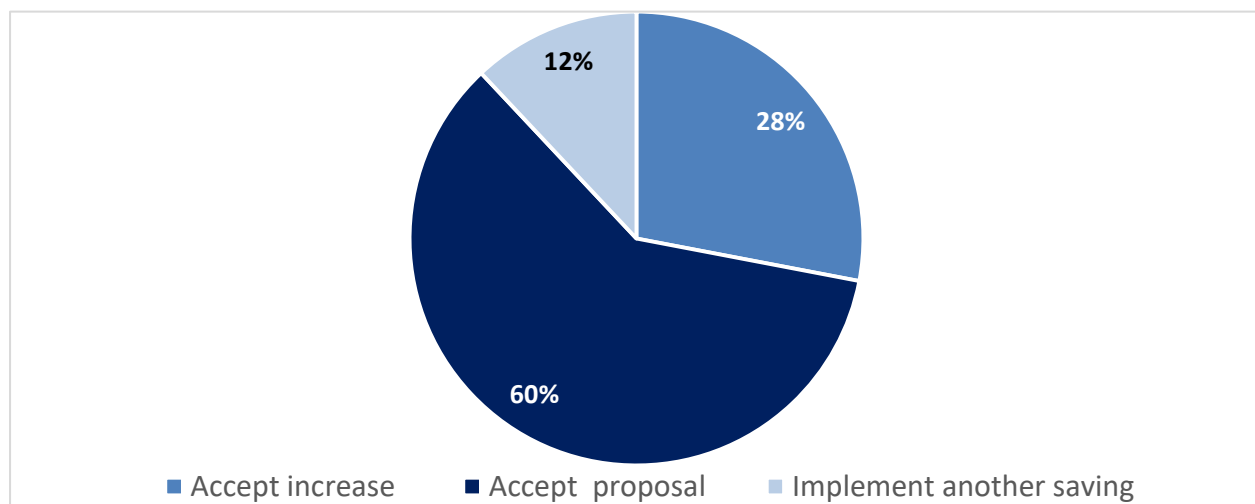
Previous AIS: 0.50 (2013)
 0.42 (2014)
 0.13 (2016)
 0.41 (2017)



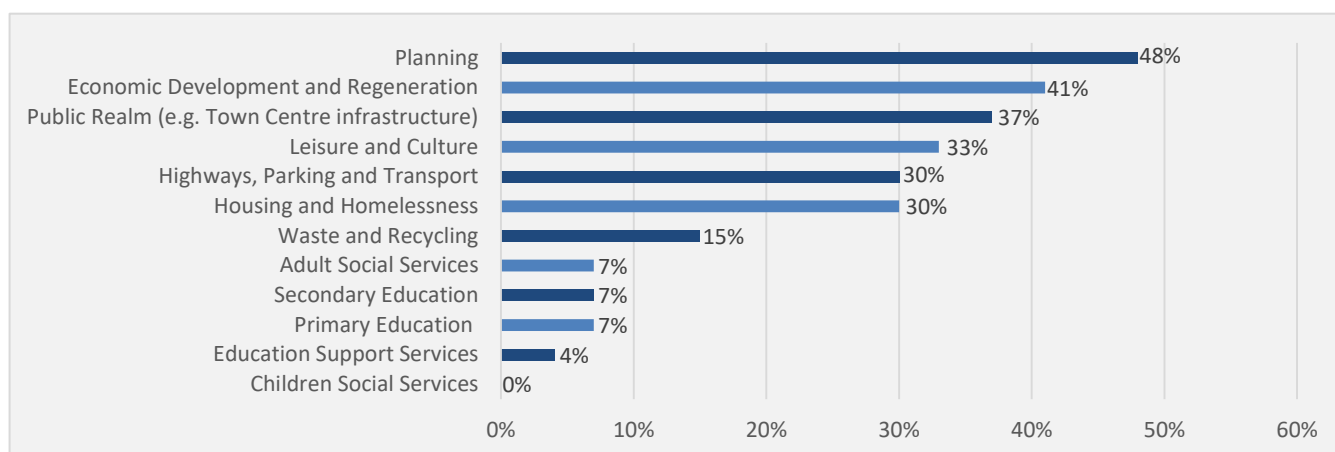
	Single	BME	16-24	25-64	65+	F	M
AIS	0.36	0.33	-2.00	0.51	0.61	0.34	0.72
Sample	42	3	1	216	28	133	106

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.80	0.47	0.64	0.40	0.51	0.43	0.57
Sample	20	90	11	40	39	69	101

Response to accepting a 0.02% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 27 responses received).



Key themes from the public consultation:

Impact – 43 comments

- The majority of respondents agree with the proposal to co-locate branch libraries as they felt it would increase visitor numbers. However, many highlighted that when co-locating, accessibility and parking needs to be an essential priority.
- A number of respondents felt that this proposal would impact on students.
- Some respondents felt that the implementation of this proposal would have a significant impact on those living in rural communities.
- Some respondents felt that libraries are used for a variety of different reasons and that closing libraries may impact on communities.

Mitigation – 19 comments

- The majority of respondents agreed to the proposal. However many noted that there is a need to co-locate in areas where the service is more likely to be used and that the facility is accessible to all.
- Some respondents suggested that for the implementation of this proposal to succeed, lessons in how to access information on how to use online libraries needs to be distributed widely.
- Some respondents suggested sharing costs with voluntary and charitable organisations.

Other relevant information:

- The library in St Clears is already located within another building – does this mean that St Clears library will be unaffected by the proposal?

Insight Session:

- Not many people use the library in our town due to lack of interest generally and it being remote. The lack of interest is due to an increase in the use of other services available in shops and technology in general. We suggest that the library should be a hub that young people, elderly and everyone in general can build closer and friendlier communities.
- The library can help to improve education levels.

- Agree with the proposal – integrate the libraries to shops/café’s, this may result in more people using the service.

Councillor Engagement:

- In principle, Members were in agreement with this proposal and felt that this had potential for benefits to both the Library Service and the wider community.

Social Media Comments:

- Didn’t realise we still had libraries!

Equality Impact Assessment summary:

<p>Description of impact:</p> <ul style="list-style-type: none"> • Public libraries are a powerful resource and important in addressing a number of the priorities set out in the Welsh Government’s “Programme for Government”, including promoting growth and tackling poverty. • Welsh public libraries address poverty by tackling the digital divide, providing access to the internet with trained staff delivering advice and guidance, and helping people develop vital information literacy skills. They are also an important community resource in helping people claim Universal Benefit and enabling them to take advantage of a broad range of statutory and voluntary support available in their local community. These and other aspects of the service are planned, shaped and delivered by skilled and knowledgeable professional library staff. • Additionally libraries play an important role in advancing knowledge by providing access to information, supporting entrepreneurial activity, and inspiring life-long learning and reading for enjoyment. They foster social mobility and strengthen our communities, catering, as they do, for the needs of all parts of society from toddlers and their parents, to students (of all ages) and researchers, from local activists to small businesses, and from the frail and elderly and their carers to hobbyists and creators.
<p>Affected groups:</p> <p>All characteristic groups</p>
<p>Mitigation:</p> <p>Views and opinions sought from Elected Members, local community organisations and groups and all other interested parties, via the Council’s established consultation process. Alternative Methods/Forms of Service Delivery suggested</p> <p>Volunteer run libraries</p> <p>The use of volunteers in libraries has become prominent in the last couple of years. Currently one Community library is operated by volunteers within the county. This could be further explored/extended within Carmarthenshire and where implemented would be supported and managed by professional Library Service, providing professional support, stocks of books and non book materials along with IT support to small community based libraries run by volunteers from within the community.</p> <p>Community councils</p> <p>In a number of authorities, community councils have contributed towards library provision. Working in partnership, community councils often provide accommodation and staffing, while the county council provide book stock and professional support for these small community based libraries. Pontyberem library</p>

goes a long way towards this route with the Community Council funding the building and staffing costs.

Relocation of existing libraries (Proposed)

Across the Principality libraries are being relocated within other local authority buildings such as Leisure Centres, Community Centres and Civic Centres all having been used with varying degrees of success. Where practical, shared premises and staffing with other departments / organisations within Carmarthenshire may be able to offer extended library provision. Such a move would bring savings from having shared premises but investment would be needed to fund any such relocations. A good example of shared services can be seen at “Y Gat” St Clears.

Enhanced housebound services

The current housebound delivery service provides a tailored service specific to the requirements of the individual members with stock carefully selected by professional staff and delivered to borrowers’ homes by library staff. Many current users in more remote locations could be transferred to the home delivery service, which would work in partnership with the Mobile library service. Adopting this approach may lead to an increase in transport costs and, in line with many other local authorities, consideration should be given to the use of volunteers and the establishment of partnerships with existing providers e.g. social services to deliver the extended service.

Deposit collections

The library service already supplies a number of large deposit collections of books to day centres, nursing homes and hospitals, Stock is changed on a regular basis and selected by professional library staff. Providing there are suitable community venues this is a model that can be replicated. Costs for this would be met within existing budget providing there was no staffing or building cost to the Service. This option is currently being explored at Kidwelly. (Gwenllian Centre).

Mobile library service

By streamlining our static branch library service with an adapted mobile library service, this has facilitated ‘community’ stops of between 1 to 3 hours per visit replacing the present traditional ‘silver service’ door to door type mobile stop approach of between 5 and 30 minutes.

Other Provision

Libraries are recognised as important community venues which often provide a safe learning environment for children out of school hours and adults wishing to learn new skills. In many communities, the library may provide the only IT facilities in the area, enabling access to the internet. Where possible, consideration should be given to providing access to these services from other alternative premises in the area. Where possible, grant funding bodies should be explored in order to facilitate these changes. (e.g. Trimsaran).

Assessment undertaken: Ian Jones

13. Parc Howard

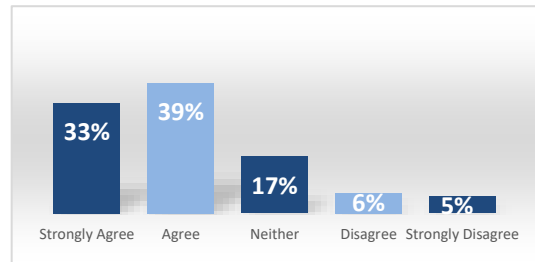
Total Budget: £52,000
3 Year Savings: £8,000

2019 - 20	2020 - 21	2021 - 22
8	0	0

Description: This proposal considers revised opening hours for the Museums, reducing overall opening periods, especially during the Winter months when visitor numbers drop off significantly. Feedback is welcomed on revised opening hours (times / days and seasonally) to improve the efficiency of the service.

Increase in Council Tax if not adopted: 0.01% (£0.11 a year)

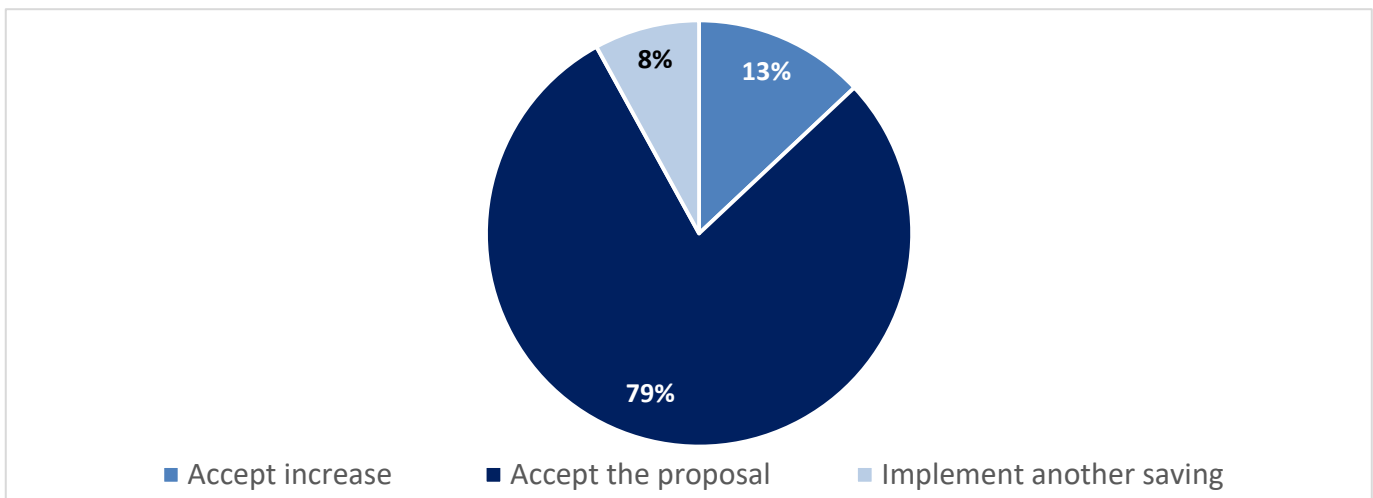
Average index score: 0.87
Overall Rank (of 27): 4
Sample Size: 277



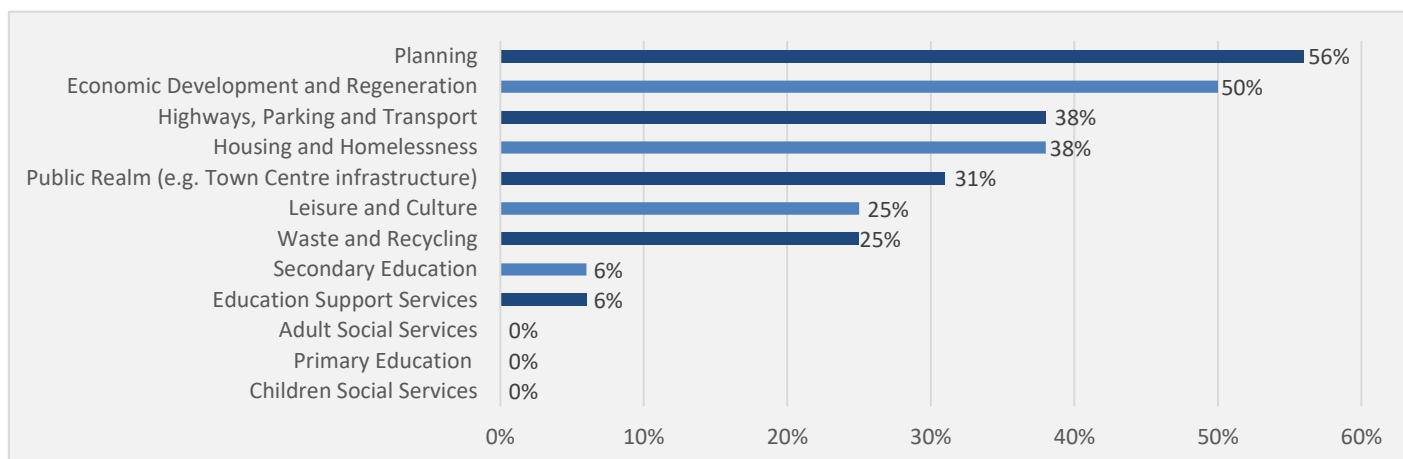
	Single	BME	16-24	25-64	65+	F	M
AIS	0.89	0.33	-2.00	0.92	0.86	0.85	0.96
Sample	45	3	1	220	28	138	105

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.86	0.92	1.00	1.05	0.90	0.79	0.90
Sample	21	93	11	39	40	70	103

Response to accepting a 0.01% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 16 responses received).



Key themes from the public consultation:

Impact – 23 comments

- Whilst the majority of the respondents agreed with the implementation of this proposal. Some however noted that it would impact the local community and tourism in the area.

Mitigation – 21 comments

- The majority of respondents commented that sign posting for Parc Howard was poor and that new opening times needed to be well publicised. Moreover, some suggested that opening times need to reflect when it is most likely to be used.
- Many respondents suggested that the buildings at Parc Howard could be used for alternative purposes such as; council meetings, weddings, ghost tours or a community centre in order to generate income.
- Many comments suggested that a cafe at the Park may increase footfall and interest and that this could generate an income which could assist with the running costs.

Councillor Engagement:

- In principle, Members were in agreement with this proposal and added that the relevant Town Council should be consulted.

Equality Impact Assessment summary:

Description of impact:

- Existing users range from young children through to older adults. The facility houses the local collections and plans to re-open the café in the near future when opening hours may be reviewed positively again. Reduced opening hours may offer less opportunity for people to access the Museum collection.
- The building is accessible for existing users and visitors. Flexibility of visiting times may be affected with slightly less opening times.
- The Museum aims to provide a bilingual service to all of its visitors. There is no guarantee that alternative provision can be provided bilingually.
- Some of the holiday activities provides for pre-school education. This would have to be picked up by external / private / third sector provision.

Affected Groups:

All characteristic groups

Mitigation:

- The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
- Current users will have to assess if alternative service provision outside of the facility caters for Welsh language provision.
- The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.

Assessment undertaken: Ian Jones 29/11/2018

14. Kidwelly Industrial Museum

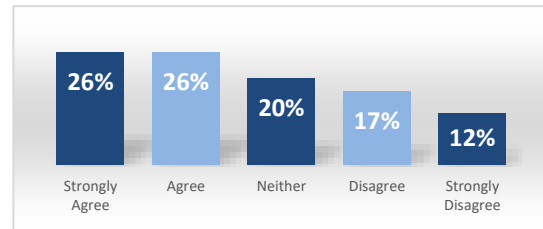
Total Budget: £16,000
3 Year Savings: £5,000

2019 - 20	2020 - 21	2021 - 22
0	5	0

Description: The proposal is to cease the local authority's support funding for the facility, which is likely to result in the facility closing to the public or only being open on certain days of the year for special events.

Increase in Council Tax if proposal not adopted: 0.01% (£0.07 a year).

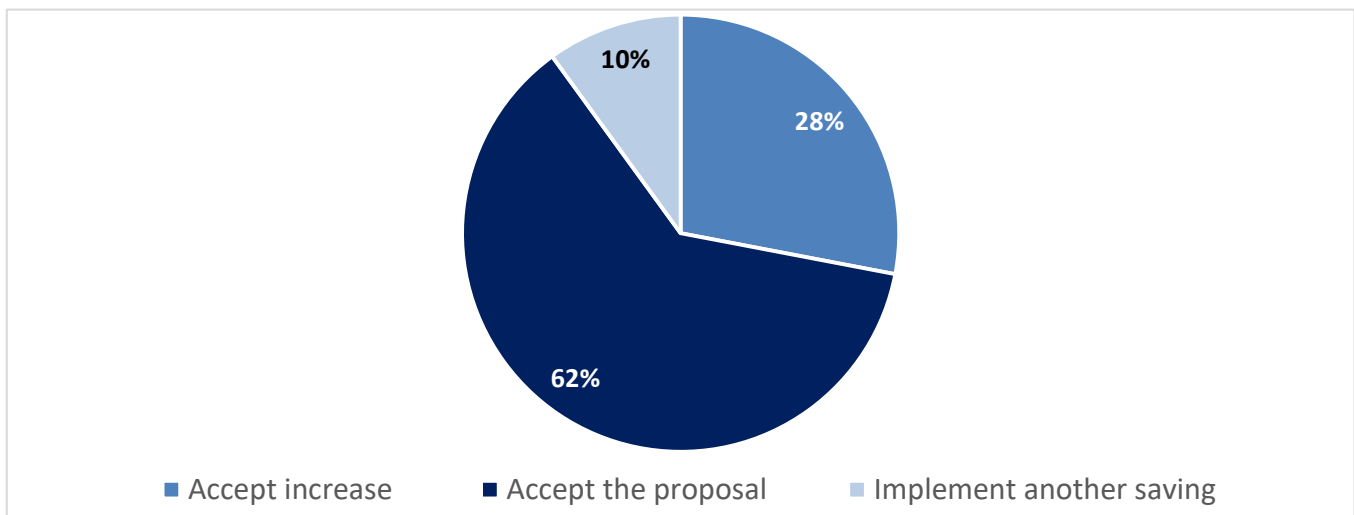
Average index score: 0.36
Overall Rank (of 27): 14
Sample Size: 274



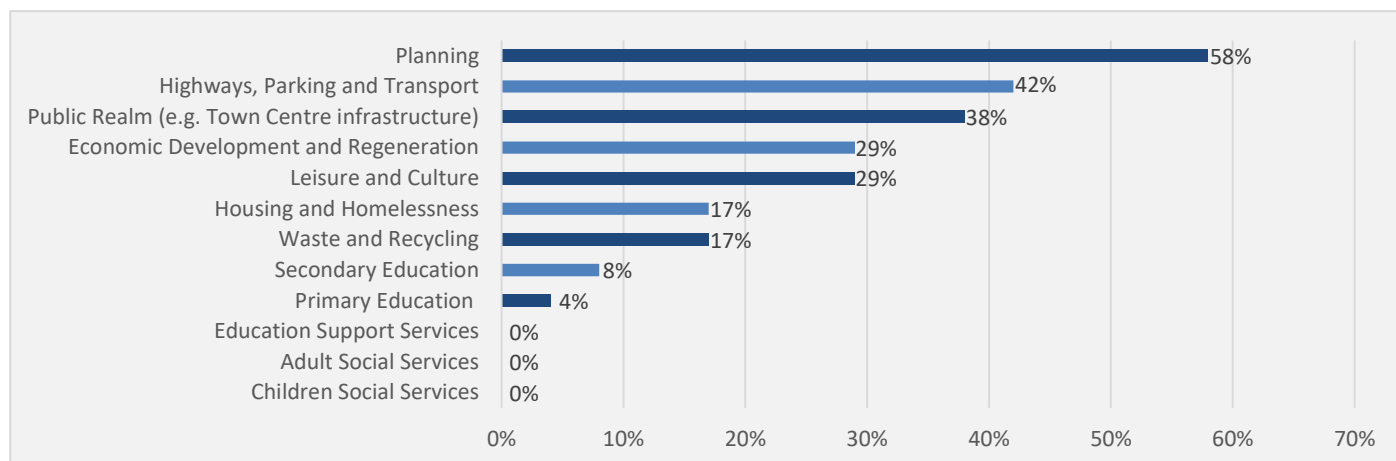
	Single	BME	16-24	25-64	65+	F	M
AIS	0.11	0.67	-2.00	0.39	0.37	0.21	0.60
Sample	44	3	1	218	27	136	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.00	0.34	0.27	0.54	0.15	0.09	0.60
Sample	21	92	11	39	40	69	101

Response to accepting a 0.01% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 24 responses received).



Key themes from the public consultation:

Impact – 26 comments

- The majority of respondents stated that the loss of culture and heritage associated with the museum would impact on the local community. Some suggested that this would also impact pupils' learning and knowledge of local history.

Mitigation – 18 comments

- Some respondents suggested that the Council should look for private investors to help finance the museum.
- A few respondents stated that they were not aware of that the museum existed and suggested better advertisement of the establishment. Some respondents commented that the opening times need to be clearly displayed in order to increase the number of visitors.
- Some suggested that the Council should seek specialist funding opportunities to assist in maintaining the facility.

Other relevant information:

- Kidwelly Town Council are completely opposed to any withdrawal of funding from Kidwelly Industrial Museum and feel that the Council should be exploring ways of supporting the development of the museum and secure funding for its future.

Insight Session:

- Charge an entrance fee in order to have less reliance on the council
- Heritage charities may be able to assist with upkeep

Councillor Engagement:

- There was some support for this proposal if the Trust is able to source grants for further development. Other Members were not supportive of this proposal and expressed concern over the existing opening hours and would like to see grants sourced to upgrade the facility.

Equality Impact Assessment summary:

Description of impact:

- Existing visitors range from young children through to older adults, but are mainly older in profile. Reducing funding may result in less access or closure of the facility and an understanding of an important part of the County's industrial heritage.
- The site aims to be fully accessible for users, and reduced support funding may have an impact on the trust's ability to meet this aim.
- The Museum aims to provide a bilingual service to all of its visitors. There is no guarantee that alternative provision can be provided bilingually.

Affected groups:

All characteristic groups

Mitigation:

- The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
- Current users will have to assess if alternative service provision outside of the centre caters for Welsh language provision.

Assessment undertaken: Ian Jones 29/11/2018

15. Learning Disabilities Day Services

Total Budget: £4,249,000
3 Year Savings: £120,000

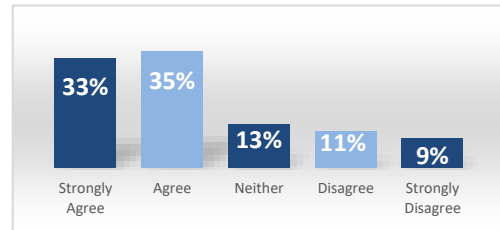
2019 - 20	2020 - 21	2021 - 22
120	0	0

Description: Cease provision of one facility which used to provide catering training - no service users affected.

Increase in Council Tax if proposal not adopted: 0.14% (£1.66 a year)

Average index score: 0.72
Overall Rank (of 27): 7
Sample Size: 272

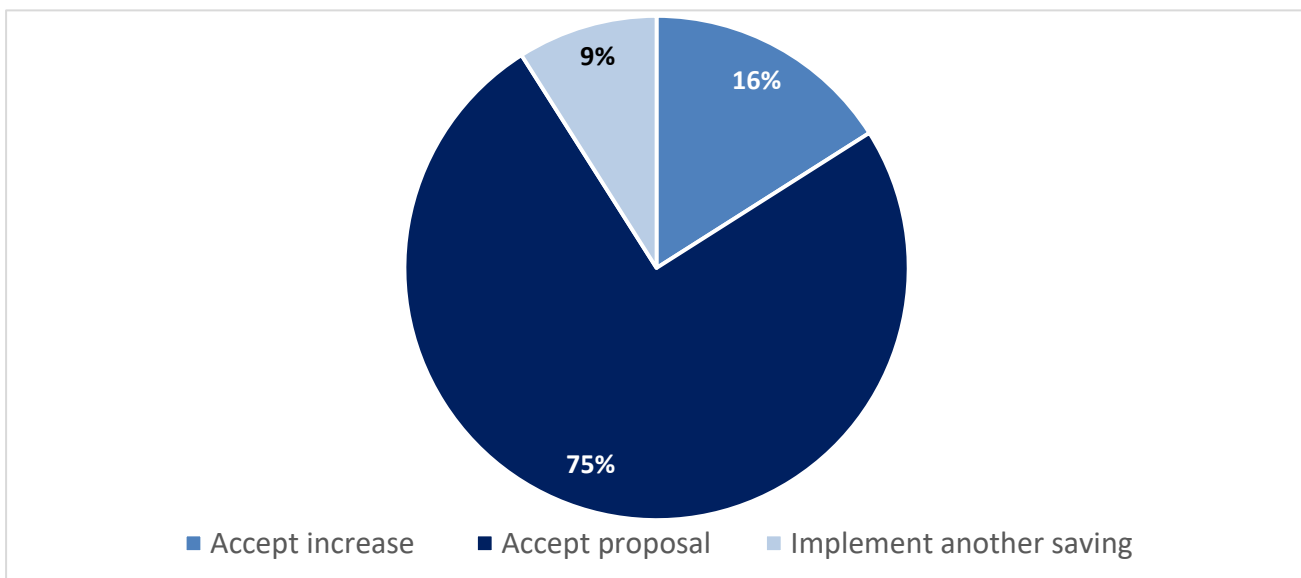
Previous AIS: 0.38 (2014)
 0.12 (2018)



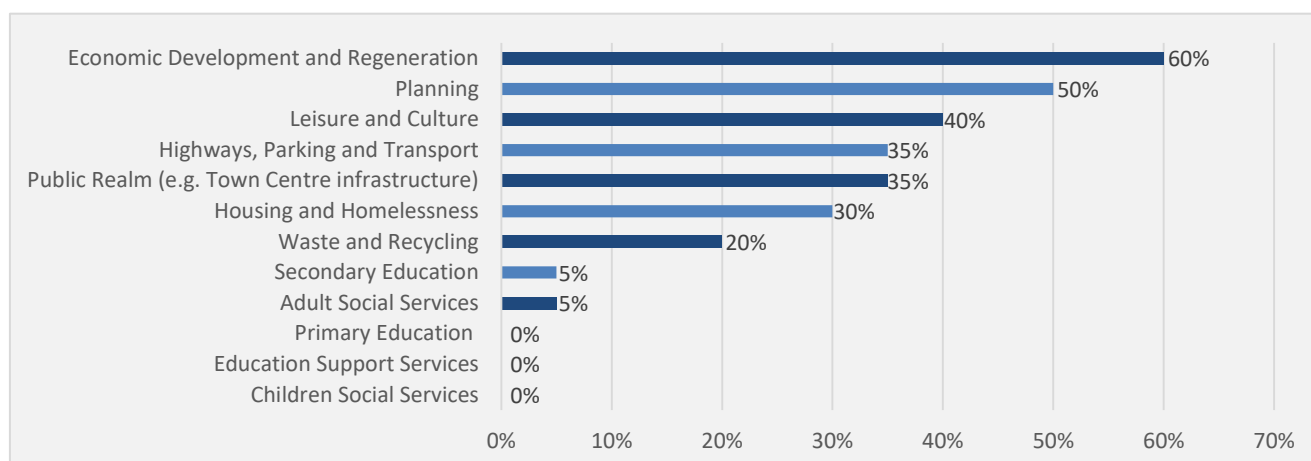
	Single	BME	16-24	25-64	65+	F	M
AIS	0.53	1.33	-1.00	0.71	1.19	0.67	0.89
Sample	43	3	1	218	27	135	105

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.95	0.91	1.00	0.69	0.78	0.75	0.67
Sample	21	92	10	39	40	68	102

Response to accepting a 0.14% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 20 responses received).



Key themes from the public consultation:

Impact – 10 comments

- Respondents stated that whilst there is no affect to service users it would have an impact on those individuals that would benefit from the use of this service in future.
- Respondents commented that the implementation of this proposal may impact on staff that currently use the facility as a canteen.

Mitigation – 11 comments

- Respondents noted that a requirement to provide alternative provisions would be needed if this facility is closed.

Insight Session:

- Expand the opportunities for people with disabilities and encourage people to see employment in areas of interest to them.

Councillor Engagement:

- In principle, Members were in agreement with this proposal as the demand for placements can be met from other catering settings but noted that the proposal did not identify which building. Members were supportive of alternative provision options being explored.

Equality Impact Assessment summary:

Description of impact:
<ul style="list-style-type: none"> • Loss of a facility for staff.
Affected groups:
Disability
Mitigation:
<ul style="list-style-type: none"> • Community work experience opportunities can be provided if an alternative is needed.
Assessment undertaken: Sharon Ferwin 29/12/2017

16. Third Sector Contracts

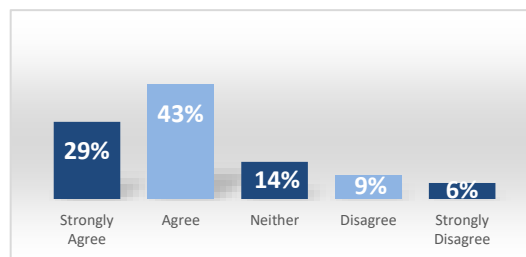
Total Budget: £447,000
3 Year Savings: £50,000

2019 - 20	2020 - 21	2021 - 22
50	0	0

Description: Work with third sector providers to develop services and projects together.

Increase in Council Tax if proposal not adopted: 0.06% (£0.69 a year)

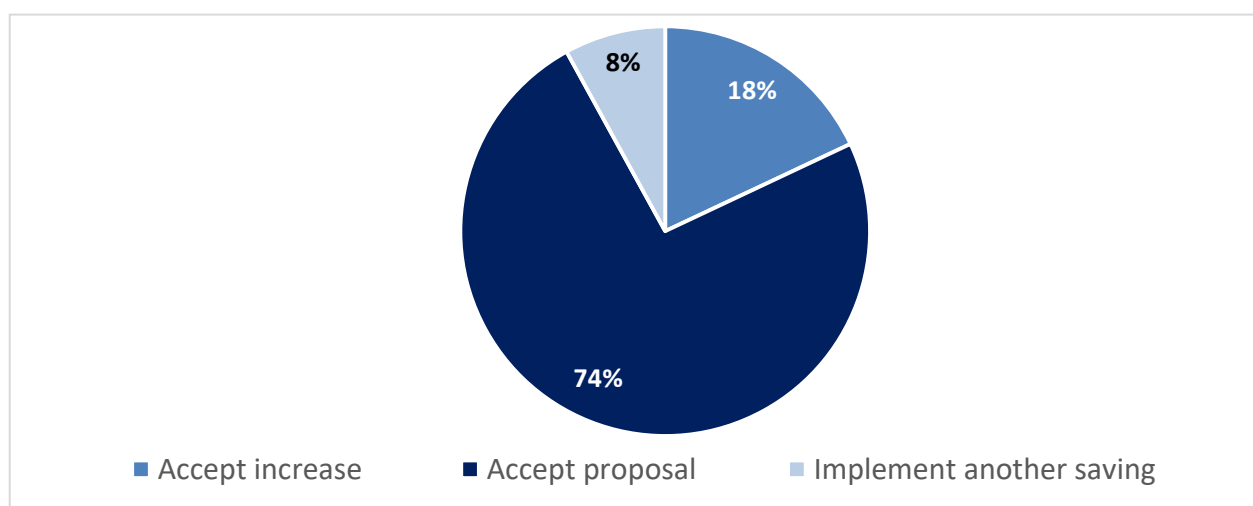
Average index score: 0.79
Overall Rank (of 27): 5
Sample Size: 268



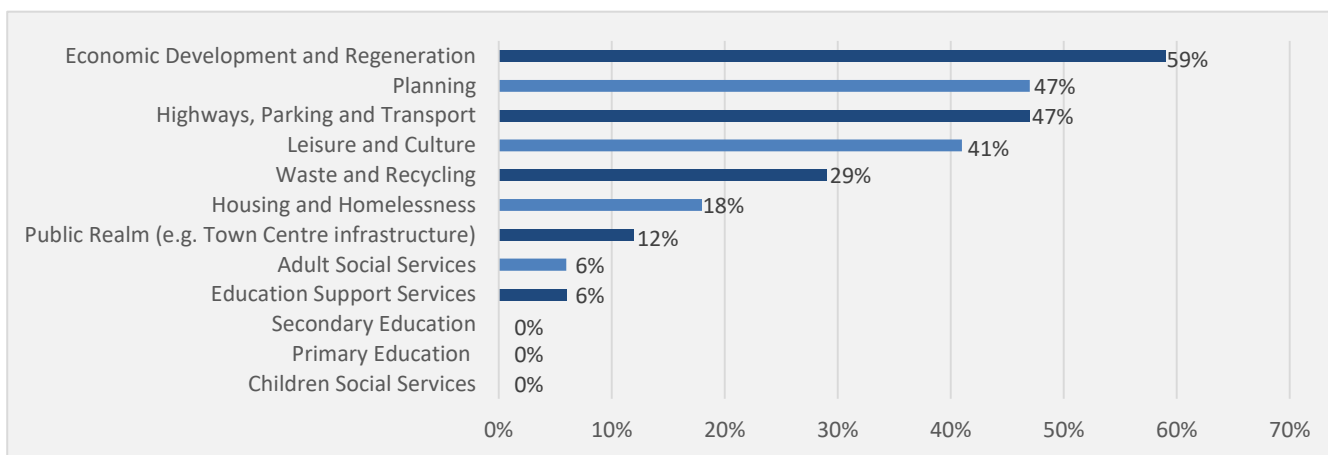
	Single	BME	16-24	25-64	65+	F	M
AIS	0.43	0.67	-2.00	0.78	1.15	0.77	0.85
Sample	44	3	1	214	26	131	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	1.10	0.92	0.91	0.97	0.55	0.81	0.83
Sample	21	89	11	38	38	67	100

Response to accepting a 0.06% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 17 responses received).



Key themes from the public consultation:

Impact – 14 comments

- No comments

Mitigation – 12 comments

- The majority of comments related to ensuring that there was no duplication of work within the Local authority and to streamline the services provided.

Councillor Engagement:

- In principle, Members were in agreement with this proposal and keen to ensure that there is no duplication whilst maintaining the levels of good service provided in this sector.

Equality Impact Assessment summary:

Description of impact:

No Impact

Affected groups:

Not Applicable

Mitigation:

Not Applicable

Assessment undertaken: Avril Bracey 20/1/2019

17. Day Services

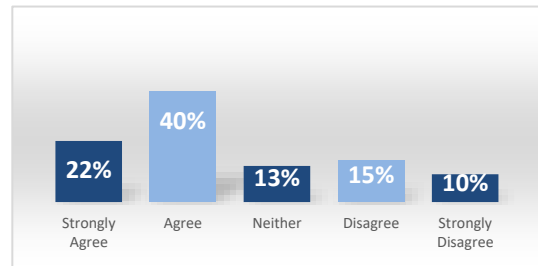
Total Budget: £4,249,000
3 Year Savings: £100,000

2019 - 20	2020 - 21	2021 - 22
0	50	50

Description: Improve building usage in day centre provision to reduce by one building, saving building operating costs.

Increase in Council Tax if proposal not adopted: 0.12% (£1.38 a year)

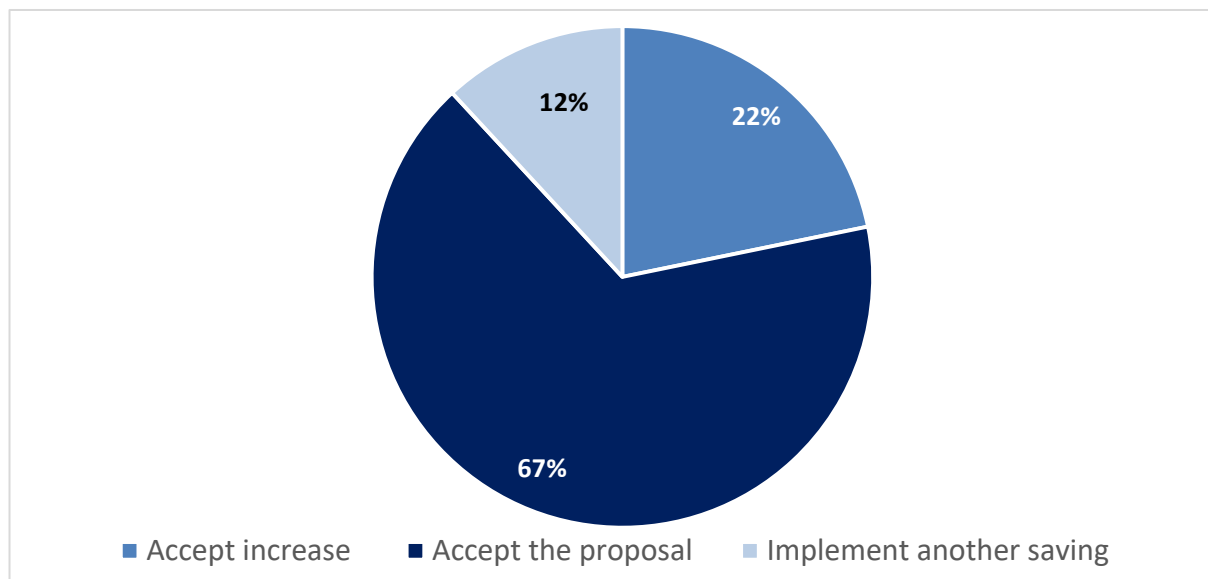
Average index score: 0.5
Overall Rank (of 27): 11
Sample Size: 265



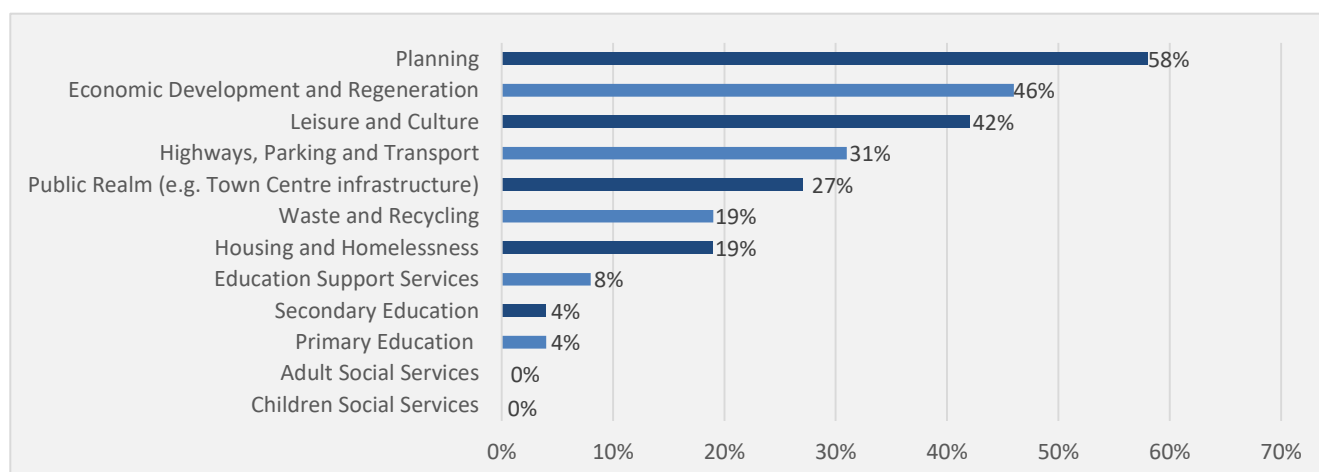
	Single	BME	16-24	25-64	65+	F	M
AIS	0.26	0.33	0.00	0.53	0.69	0.39	0.73
Sample	42	3	2	210	26	131	101

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.48	0.61	1.27	0.71	0.43	0.50	0.59
Sample	21	89	11	38	37	66	99

Response to accepting a 0.12% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 26 responses received).



Key themes from the public consultation:

Impact – 18 comments

- The majority of respondents stated that the main impact would be on service users. They would agree to the proposal as long as service users were not significantly impacted.

Mitigation – 17 comments

- Respondents noted that if service users are affected, transport links will need to improve in order to make other provisions accessible.
- Some suggested that other council buildings can be used to provide services in order to save operating costs.

Insight Session:

- Need to assess the needs of the users of the service and support the model of integrating into the core services.
- An additional income could be made by selling the building.

Equality Impact Assessment summary:

Description of impact:

- Loss of a building based facility.

Affected groups:

Disabled

Mitigation:

- Individuals will access existing community groups, services or develop activities within community venues.

Assessment undertaken: Sharon Ferwin 20/1/2019

18. Flower Bed Planting

Total Budget: £8,871,000

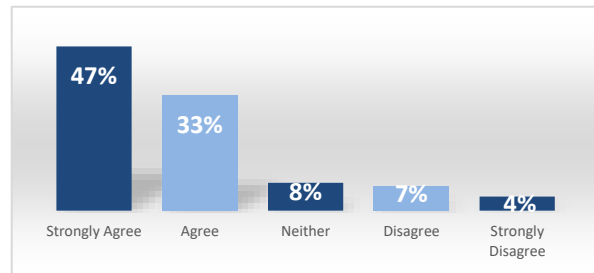
3 Year Savings: £38,000

2019 - 20	2020 - 21	2021 - 22
38	0	0

Description: Review maintenance of Flower Beds and Shrubbery in town centres. The proposal is to cease town centre planting or transfer responsibility to town councils as we are aware that some town councils have expressed an interest in undertaking this work.

Increase in Council Tax if proposal not adopted: 0.04% (£0.54 a year).

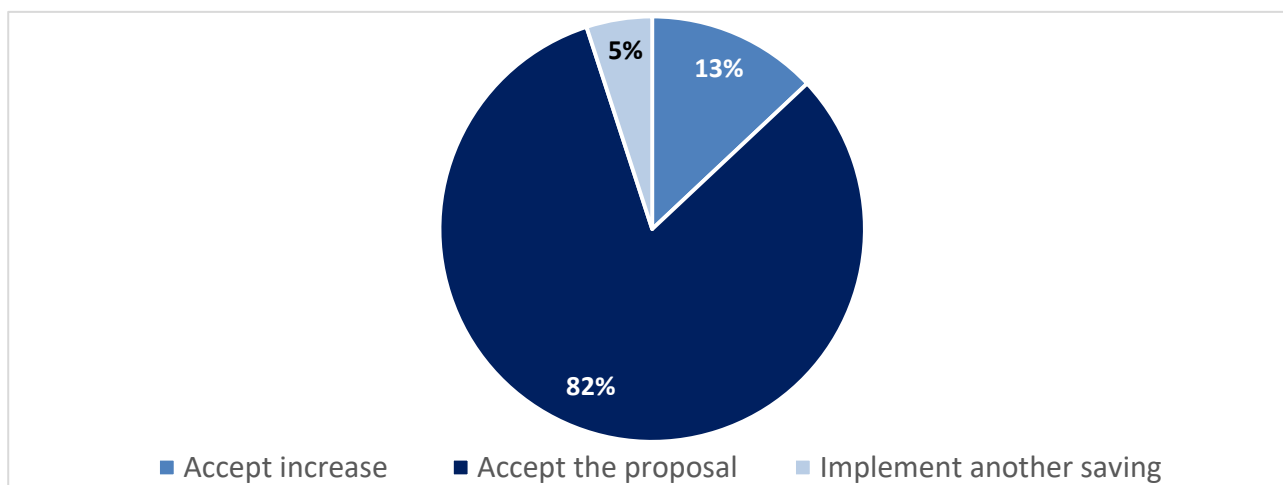
Average index score: 1.11
Overall Rank (of 27): 2
Sample Size: 274



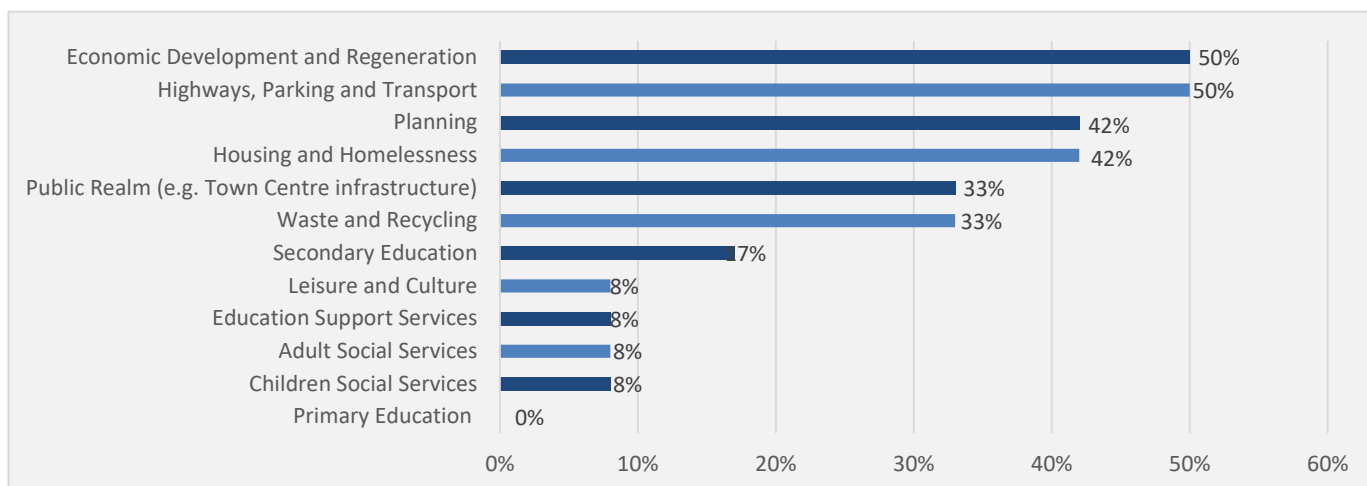
	Single	BME	16-24	25-64	65+	F	M
AIS	0.82	1.33	-2.00	1.14	1.04	1.12	1.14
Sample	44	3	1	220	27	138	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	1.4	1.26	0.9	1.13	0.87	1.14	1.26
Sample	20	94	10	39	39	70	102

Response to accepting a 0.04% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 12 responses received).



Key themes from the public consultation:

Impact – 33 comments

- The majority of respondents felt that implementing this proposal would impact on the local community. It was felt that the withdrawal of maintenance from the Council would result in the town centre looking unkempt which may also impact on tourism in Carmarthen Town Centre.

Mitigation – 26 comments

- The majority of respondents suggested planting wild flowers in town centres as they are easier to maintain and would therefore reduce maintenance costs.
- Some suggested that responsibility could be transferred to voluntary organisations, school pupils as work experience or sponsorship by local businesses.

Other relevant information:

- Agree with this proposal as many Town and Community Councils are already undertaking this role.

Insight Session:

- Move responsibility to town councils and share the budget with them.
- Encourage volunteering to increase community spirit and potential to use the Welsh BaccaLaureate as a community challenge for pupils.
- Advertising/investment from private companies could cover funding to ensure the quality of the flowers are maintained.
- Improve biodiversity of ecosystem

Councillor Engagement:

- In principle members were in agreement with this proposal.

Social Media Comments:

- Look at services as a whole and not individually and you may find ways to save money i.e. promote well being and cut flowers being planted in town centre – could these not work together?

- Use wild flowers so that flowers don't have to be re-planted seasonally.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Stephen G Pilliner 14/11/2018

19. Eastgate Roundabout Planting

Total Budget: £8,871,000

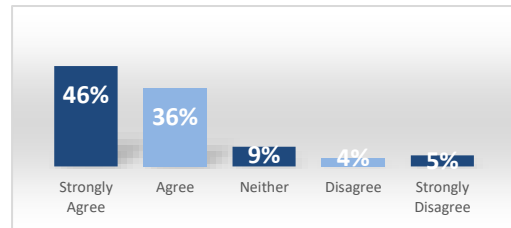
3 Year Savings: £19,000

2019 - 20	2020 - 21	2021 - 22
0	19	0

Description: To cease planting on Eastgate roundabout but will engage with Town Councils and Business Improvement District to explore option of transfer.

Increase in Council Tax if proposal not adopted: 0.02% (£0.26 a year).

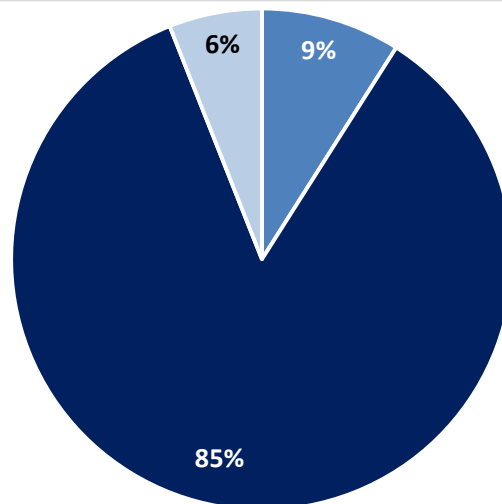
Average index score: 1.13
Overall Rank (of 27): 1
Sample Size: 268



	Single	BME	16-24	25-64	65+	F	M
AIS	0.86	1.00	-2.00	1.12	1.38	1.15	1.12
Sample	44	3	1	217	26	137	101

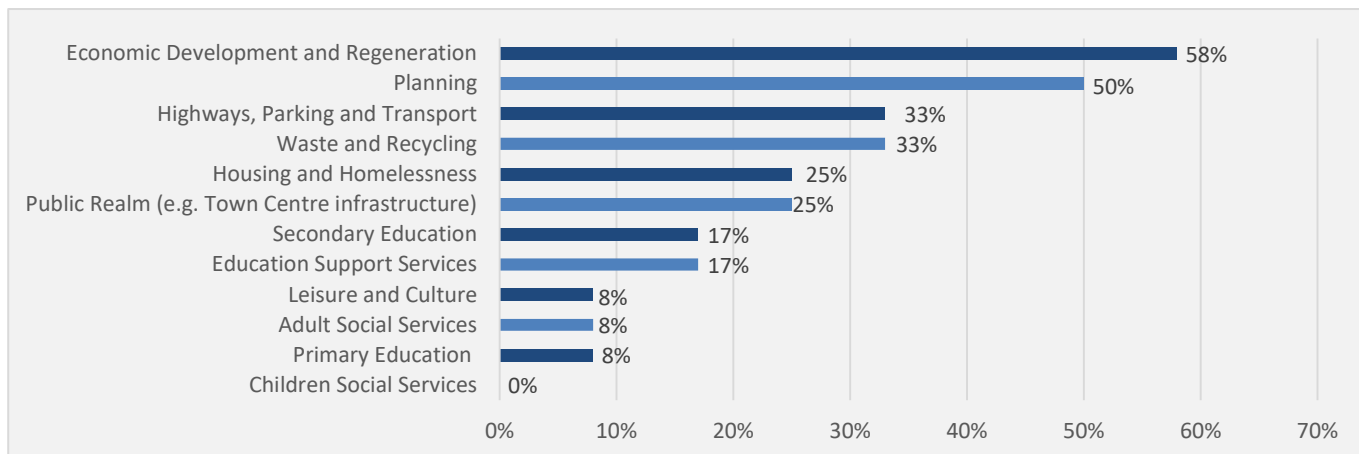
	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	1.24	1.26	0.73	1.16	1.13	1.03	1.27
Sample	21	90	11	38	39	69	100

Response to accepting a 0.02% increase in the Council Tax in order to avoid efficiency saving.



■ Accept increase ■ Accept proposal ■ Implement another saving

Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 12 responses received).



Key themes from the public consultation:

Impact – 23 comments

- Respondents raised concerns regarding the impact this proposal would have on the community. Respondents were concerned that the lack of flowers may destroy Llanelli's picturesque image, affect the community's well-being as well as having a negative influence on tourism.

Mitigation – 20 comments

- The majority of respondents suggested planting wild flowers, meadow flowers or perennial plants on roundabouts as it would require less maintenance.
- Some stated that using gravel or a feature instead of plants would require less maintenance.
- Some respondents suggested asking schools, volunteers or community groups to assist with maintenance of roundabouts.
- Many respondents suggested asking businesses for sponsorship as this would remove the cost from the Council and provide an incentive to advertise on roundabouts .

Other relevant information:

- Agree with this proposal as many Town and Community Councils are already undertaking this role.

Insight Session:

- Encourage volunteers from the communities, opportunity for the council to work with colleges and people with disabilities.
- Transfer this over to the Town and Community Councils.
- Choose flowers that are low maintenance.

Social Media Comments:

- Plant wildflowers on roundabouts so that they do not require re-planting seasonally.
- Stop building walls and purchasing sculpture to be displayed on the roundabouts.

Equality Impact Assessment summary:

<i>Description of impact:</i>
No Impact
<i>Affected groups:</i>
Not Applicable
<i>Mitigation:</i>
Not Applicable
<i>Assessment undertaken:</i> Stephen G Pilliner 14/11/2018

20. Grass Cutting

Total Budget: £8,871,000

3 Year Savings: £49,000

2019 - 20	2020 - 21	2021 - 22
0	49	0

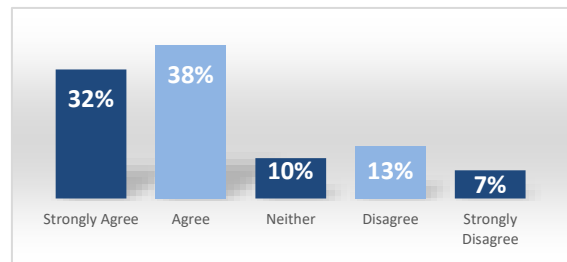
Description: To cease Amenity Grass Cutting around town centres or transfer to town councils as we are aware that some town councils have expressed an interest in undertaking this work.

Increase in Council Tax if proposal not adopted: 0.06% (£0.68 a year).

Average index score: 0.75

Overall Rank (of 27): 6

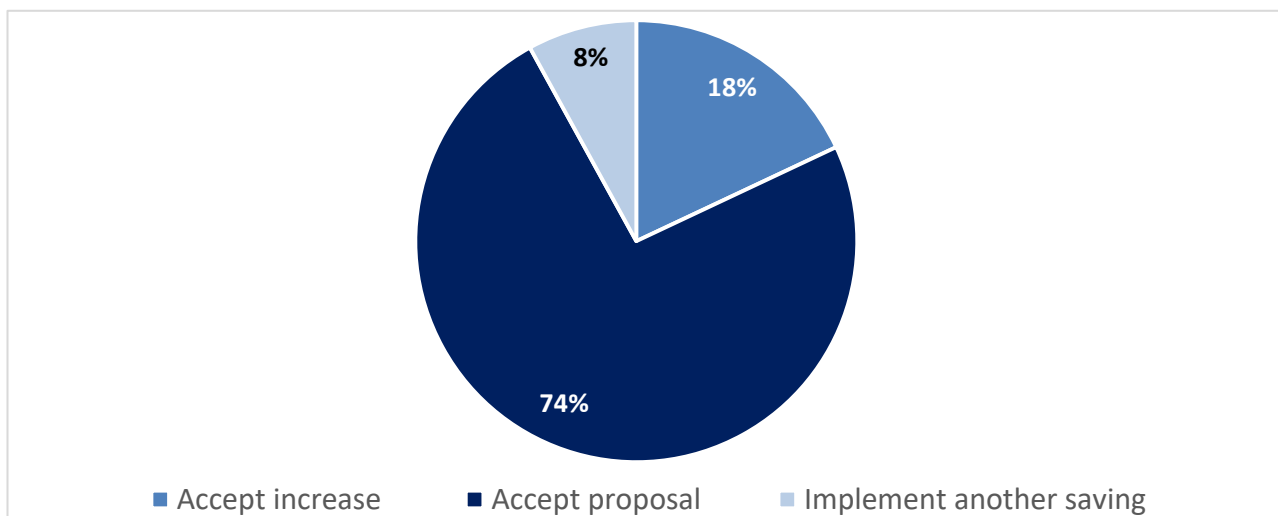
Sample Size: 270



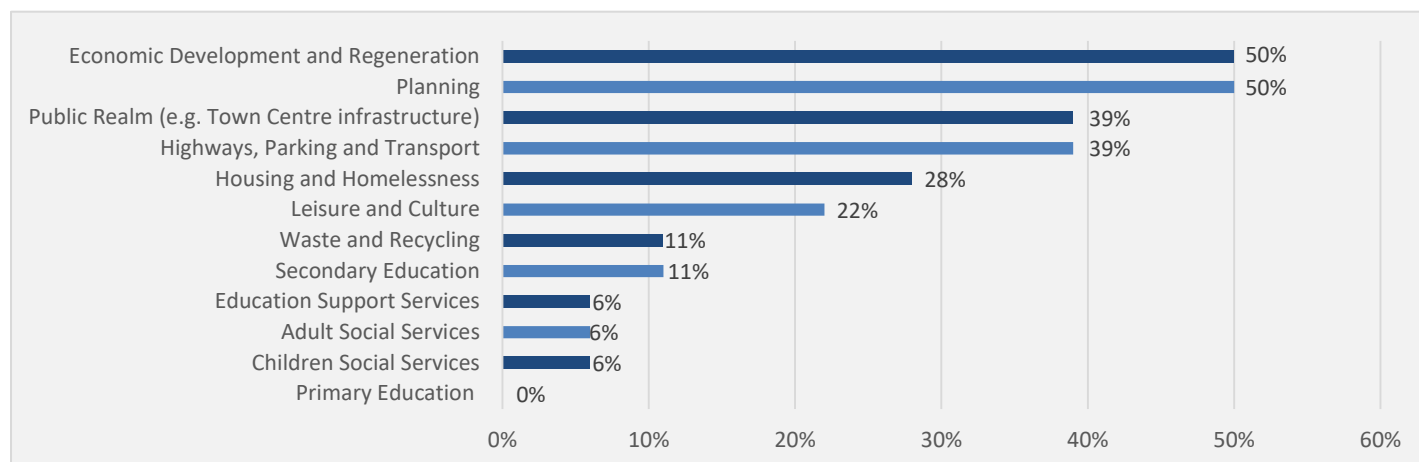
	Single	BME	16-24	25-64	65+	F	M
AIS	0.48	0.00	-2.00	0.77	0.81	0.69	0.85
Sample	44	3	1	216	27	135	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.95	0.73	1.36	0.76	0.64	0.73	0.91
Sample	21	91	11	38	39	70	100

Response to accepting a 0.06% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 18 responses received).



Key themes from the public consultation:

Impact – 20 comments

- Respondents stated that the implementation of this proposal would have an impact on communities due to the area looking unkempt as well as impacting on tourism in the county.
- Some respondents raised concerns about the impact this proposal would have on road users' safety as some town centres may have overgrown that restrict/reduce visibility.

Mitigation – 22 comments

- Many respondents suggested replacing verges with wild flowers, meadow flowers or perennial flowers in order to reduce the maintenance required.
- Some respondents stated that the maintenance should be reduced from four times a year to two times a year in order to reduce costs.
- A number of respondents suggested the use of voluntary organisations, schools and/or local community projects in order to assist with the grass cutting.

Councillor Engagement:

- Members agreed to this proposal, requesting more collaboration with Town and Community Councils on the matter.

Social Media Comments:

- Plant wildflowers on grass verges to save on grass cutting.
- Grass patches on estates could be converted for much needed parking spaces.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Stephen G Pilliner 14/11/2018

21. Winter Gritting

Total Budget: £8,871,000
3 Year Savings: £32,000

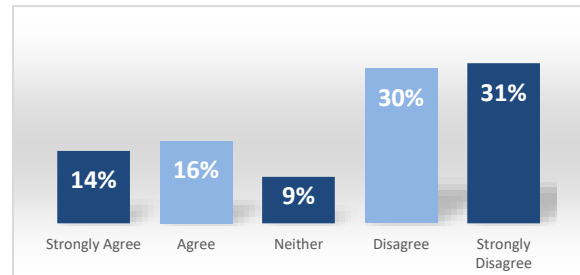
2019 - 20	2020 - 21	2021 - 22
32	0	0

Description: Review all winter maintenance routes to rationalise the number of routes that are gritted.

Increase in Council Tax if proposal not adopted: 0.04% (£0.44 a year).

Average index score: -0.49
Overall Rank (of 20): 26
Sample Size: 271

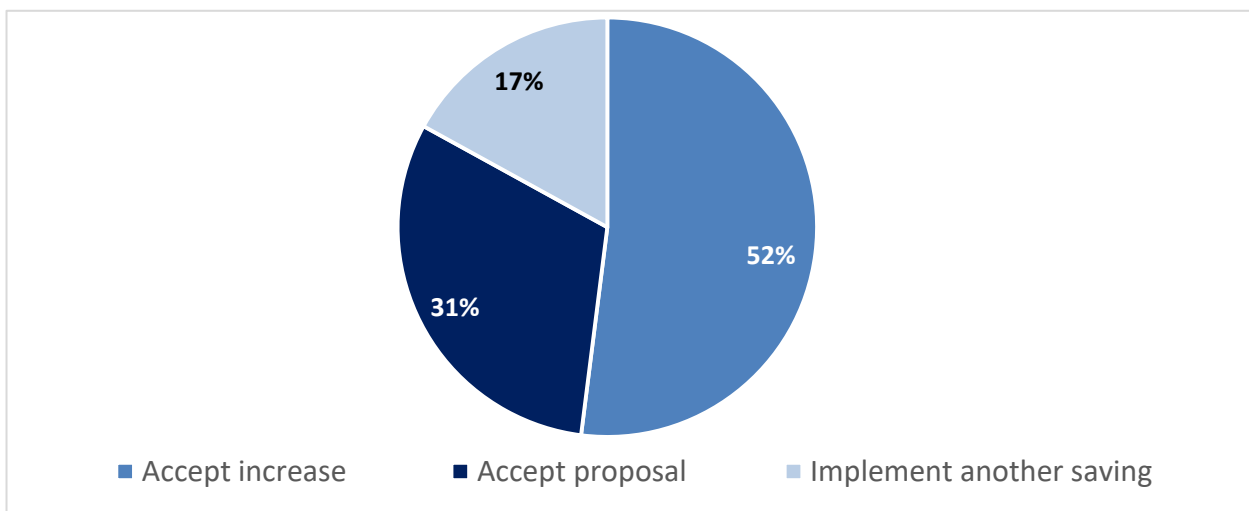
Previous AIS: -0.24 (2014)
 -0.63 (2017)



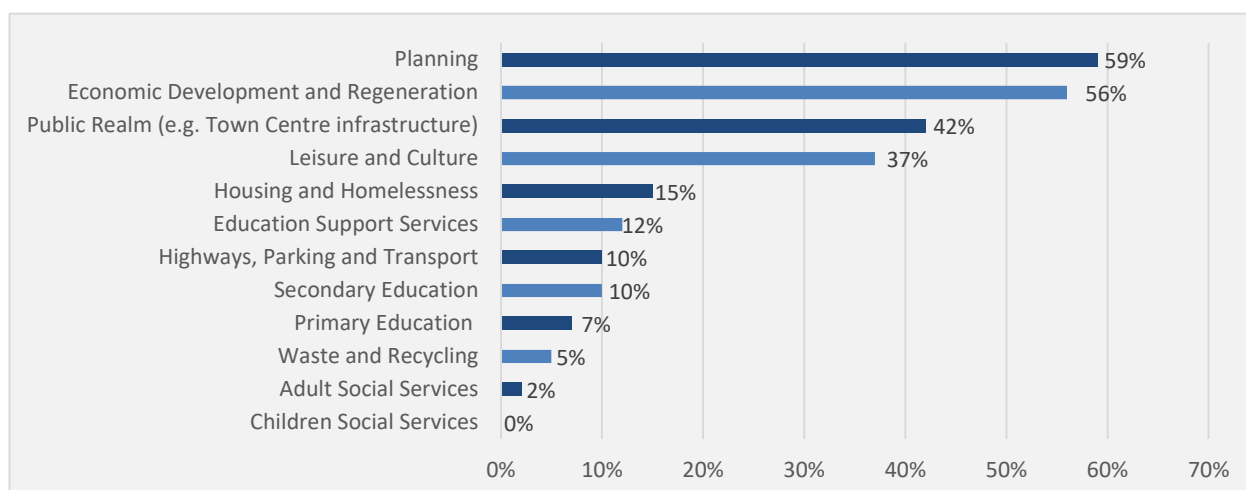
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.52	-0.33	-2.00	-0.5	-0.5	-0.63	-0.38
Sample	44	3	1	216	28	134	105

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	-0.75	-0.53	0.45	-0.55	-0.69	-0.44	-0.42
Sample	20	92	11	40	39	668	102

Response to accepting a 0.04% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 41 responses received).



Key themes from the public consultation:

Impact – 56 comments

- The majority of respondents raised concerns for all road users and pedestrians. Many noted that reduced gritting would lead to a greater risk in accidents.
- Some respondents noted that elderly residents would be significantly impacted by a reduction in gritting.
- A number of respondents noted that this proposal would have an impact on people attempting to travel to their place of work and pupils attending schools.
- Many residents were concerned that this proposal may have a significant impact on rural residents as roads in these areas' are already hazardous.

Mitigation – 19 comments

- A number of respondents suggested that residents need to be educated in how to drive and walk safely in icy conditions. Furthermore, respondents noted that residents need to be informed as to which roads are being gritted so as to ensure safety.
- Some respondents suggested that a thorough review should be undertaken to evaluate which roads require gritting.
- A few respondents noted that Grit boxes should be placed on most estates and cul-de-sacs so that residents can grit their own roads.

Other relevant information:

- Do not agree with this proposal as it could endanger lives. (St Clears Town Council)

Insight Session:

- There are currently 5 weather stations, invest in software that tells you which roads are safe, using GPS
- Place grit in areas that pose a risk (corners, hills) and grid reference grit bins to make refills easier. Install technology to inform you when grit bins are empty.

Councillor Engagement:

- This proposal was not accepted – concerns over coverage for rural areas.

Equality Impact Assessment summary:

<i>Description of impact:</i>
No Impact
<i>Affected groups:</i>
Not Applicable
<i>Mitigation:</i>
Not Applicable
<i>Assessment undertaken:</i> Stephen G Pilliner 14/11/2018 – Updated 16/1/2019

22. Rural Roads Sweeping

Total Budget: £8,871,000
3 Year Savings: £282,000

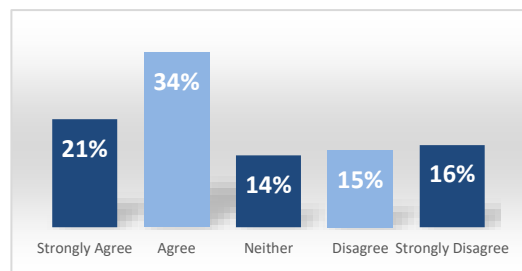
2019 - 20	2020 - 21	2021 - 22
282	0	0

Description: Cease scheduled mechanical sweeping on rural roads. Town centre areas are swept by the cleansing team, however Highways undertake scheduled and ad hoc sweeping of rural roads and retain or hire sweepers to do this work. The proposal is that Highways will not undertake ad hoc sweeping and will respond on a reactive basis to emergencies by hiring if there is a safety issue.

Increase in Council Tax if proposal not adopted: 0.33% (£3.89 a year).

Average index score: 0.28
Overall Rank (of 27): 19
Sample Size: 268

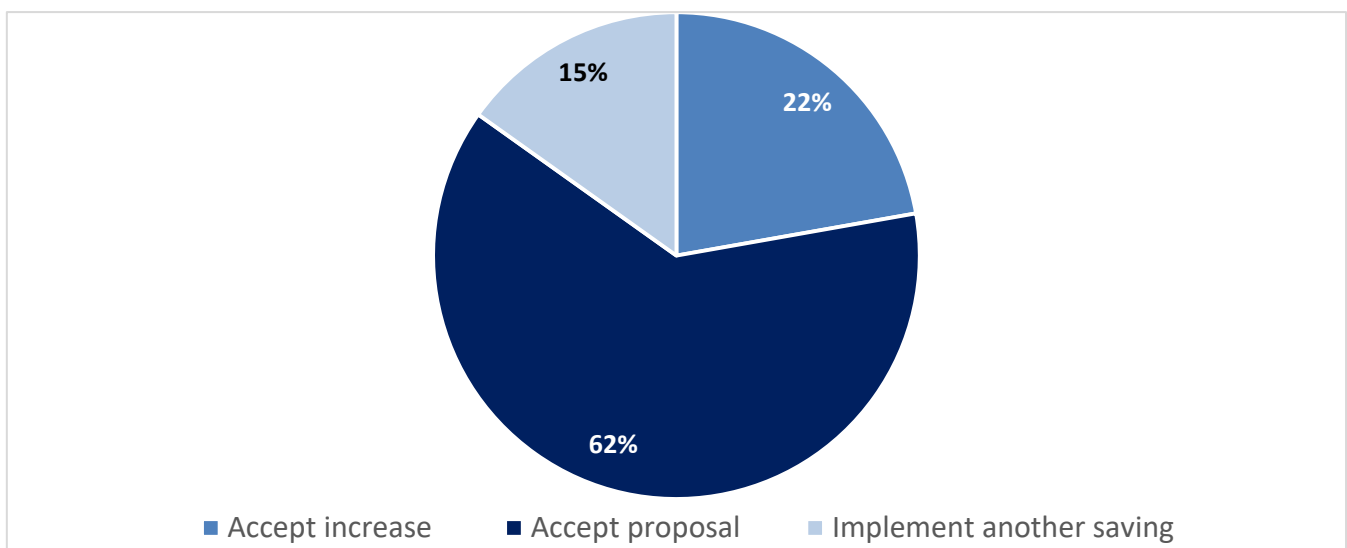
Previous AIS: 0.0 (2014)
(Street Cleaning) 0.12 (2017)
 -0.49 (2018)



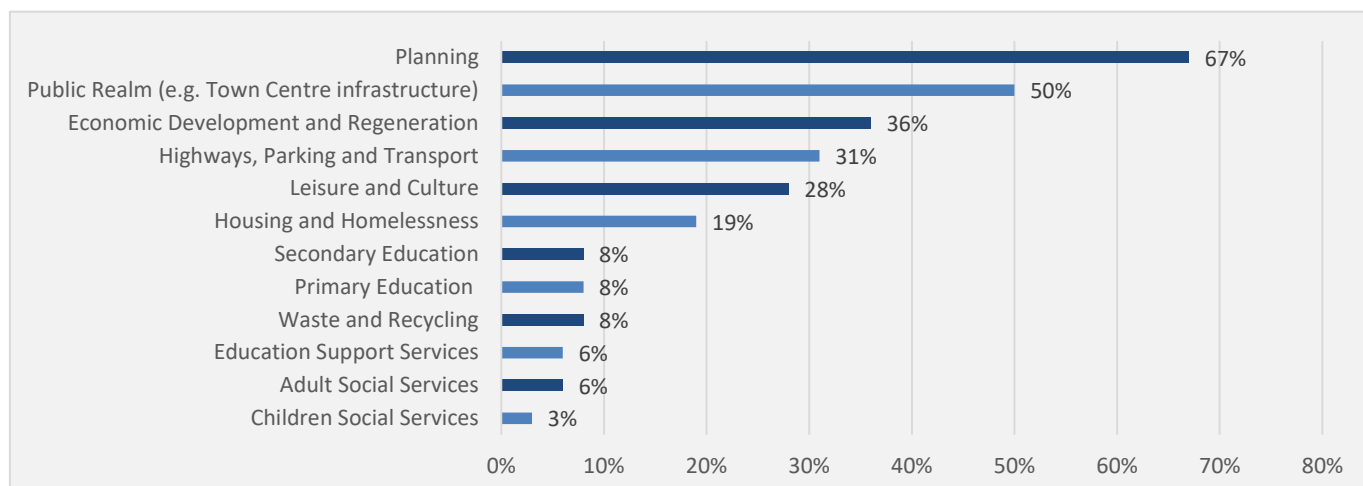
	Single	BME	16-24	25-64	65+	F	M
AIS	0.71	0.67	-2.00	0.24	0.71	0.17	0.46
Sample	43	3	1	214	28	133	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.49	0.31	0.82	0.38	0.33	0.25	0.41
Sample	20	89	11	40	39	67	101

Response to accepting a 0.33% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 36 responses received).



Key themes from the public consultation:

Impact – 40 comments

- The majority of respondents raised concerns that road users would be significantly impacted by the implementation of this proposal. Many noted that rural roads were currently extremely dangerous and that this proposal would degrade rural roads further.
- Many respondents noted that rural communities would be at an increased risk of flooding if this proposal was implemented. Many stated that currently drains are often blocked due to the lack of sweeping which has a significant impact on rural residents.

Mitigation – 18 comments

- Some respondents suggested that farmers who discard waste onto rural roads should be responsible for clearing up after them, it was stated that this should be enforced by the local authority.
- Some indicated that a review of rural road sweeping needs to be conducted in order to ascertain which roads require this service and review how often they require to be undertaken.

Insight Session:

- Agree with this proposal, no need to clean the roads.

Councillor Engagement:

- Concerns were raised that rural areas would be losing out on services again. Urban members were in favour of the proposal with the rural members disagreeing to the implementation of this proposal. Concerns were also noted that leaves blocking drains could lead to more flooding.

Social Media Comments:

- Did not realise we had road sweepers? Have not seen one in 11 years I have lived here. Rural roads are not swept.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Stephen G Pilliner 14/11/2018

23. Highways – Re-surfacing

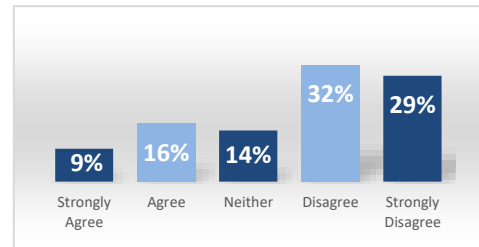
Total Budget: £8,871,000
3 Year Savings: £150,000

2019 - 20	2020 - 21	2021 - 22
0	0	150

Description: The proposal is to reduce the number of schemes delivered by the surface dressing programme.

Increase in Council Tax if proposal not adopted: 0.17% (£2.07 a year).

Average index score: -0.58
Overall Rank (of 27): 27
Sample Size: 272

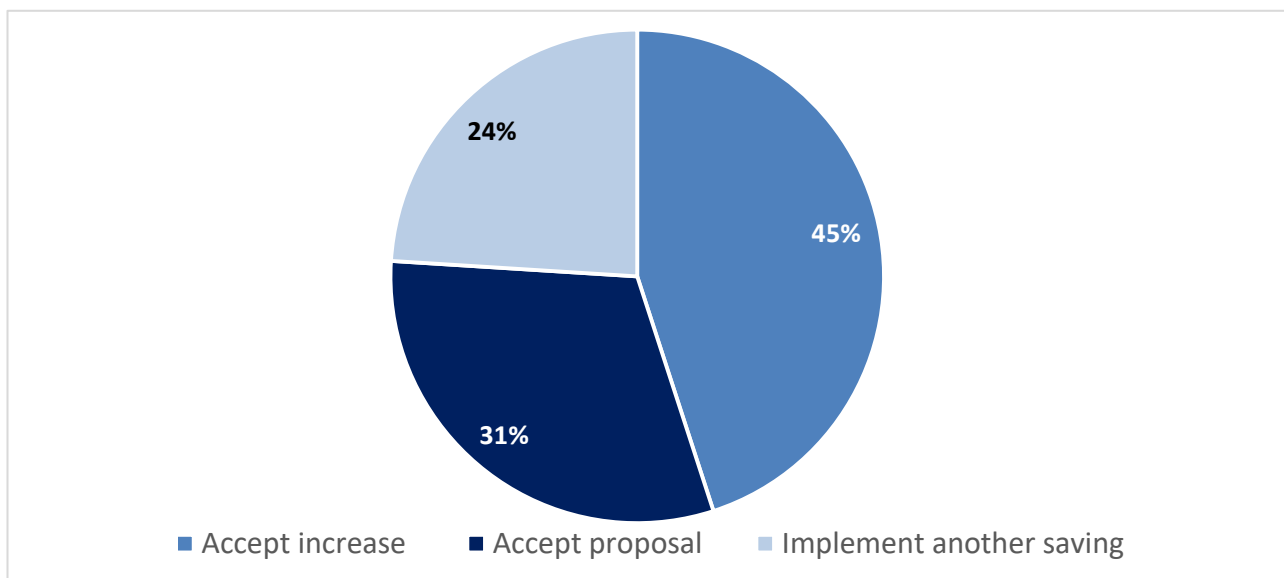


Previous AIS: -0.63 (2017)
(Highway Maintenance)

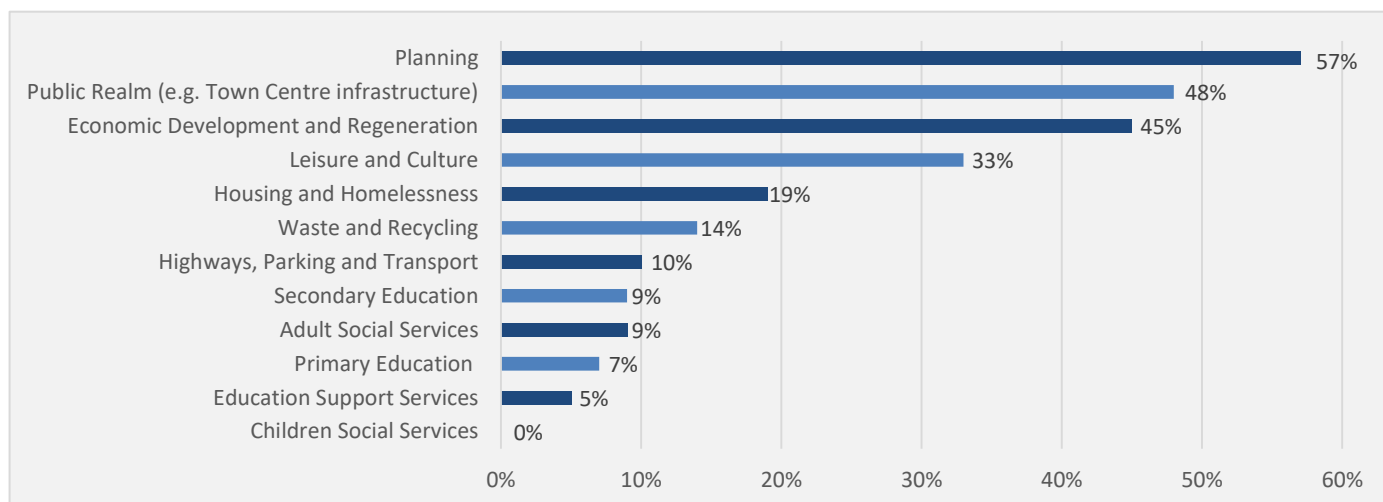
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.48	0.33	-2.00	-0.57	-0.63	-0.81	-0.29
Sample	44	3	1	217	27	134	105

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.33	-0.64	0.64	-0.64	-0.44	-0.53	-0.54
Sample	21	90	11	39	39	70	103

Response to accepting a 0.17% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 58 responses received).



Key themes from the public consultation:

Impact – 50 comments

- The majority of respondents raised concerns regarding the implementation of this proposal as it could lead to an increase in the number of accidents for road users. Many noted that this proposal would affect cyclists as well as vehicle drivers. Many noted that the roads currently contain many pot holes and that a reduction in this service will exacerbate the problem.

Mitigation – 15 comments

- Many respondents stated that this service requires reviewing in order to ensure that the work is undertaken efficiently and effectively. Respondents indicated that roads need to be repaired properly rather than being patched up.
- Some respondents felt that an improvement in public transport needs to be done in order to reduce the number of vehicles on the road. This may reduce the stress placed on road surfaces.

Councillor Engagement:

- Whilst members agreed that this programme could be reduced they also expressed concerns over the long-term impact of this proposal.

Social Media Comments:

- More money needs to be spent on repairing the large amount of potholes in the county.
- Not prepared to pay more council tax for roads which are not being repaired.

Equality Impact Assessment summary:

Description of impact:
<ul style="list-style-type: none">• Older people can be less steady on their feet and more prone to trip hazards. Deteriorating footway and carriageway conditions may lead to increased accidents and a reduced confidence in going out in public especially important for people with certain impairments such as poor vision or limited mobility.• Disabled people will lose the confidence to go out if they think the pavement will be dangerous, particularly visually impaired people or wheelchair users.• Women who are heavily pregnant may be at increased risk of falls if they are unsteady on their feet.
Affected groups:
Elderly, Disabled, Pregnancy and Maternity
Mitigation:
<ul style="list-style-type: none">• Surface dressing is predominantly used on rural roads, where pedestrian traffic is very light and the risk is perceived to be very low. If the road is pot holed, the pot hole will be repaired prior to surface dressing.
Assessment undertaken: Stephen G Pilliner 14/11/2018 – Updated 16/1/2019

24. Household Waste Recycling Centres – Ammanford & Whitland

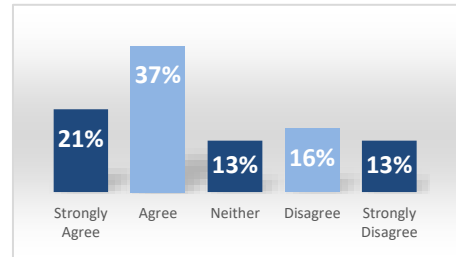
Total Budget: £13,665,000
3 Year Savings: £25,000

2019 - 20	2020 - 21	2021 - 22
0	0	25

Description: Review the operating parameters for all sites to provide a less costly service.

Increase in Council Tax if proposal not adopted: 0.03% (£0.35 a year).

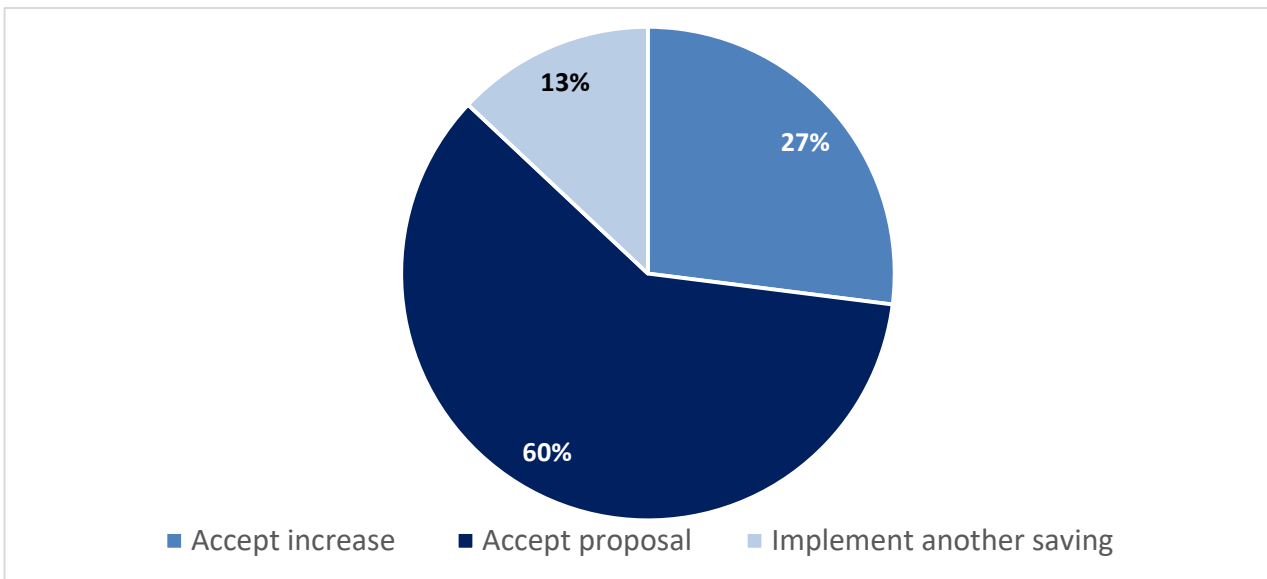
Average index score: 0.36
Overall Rank (of 27): 15
Sample Size: 270



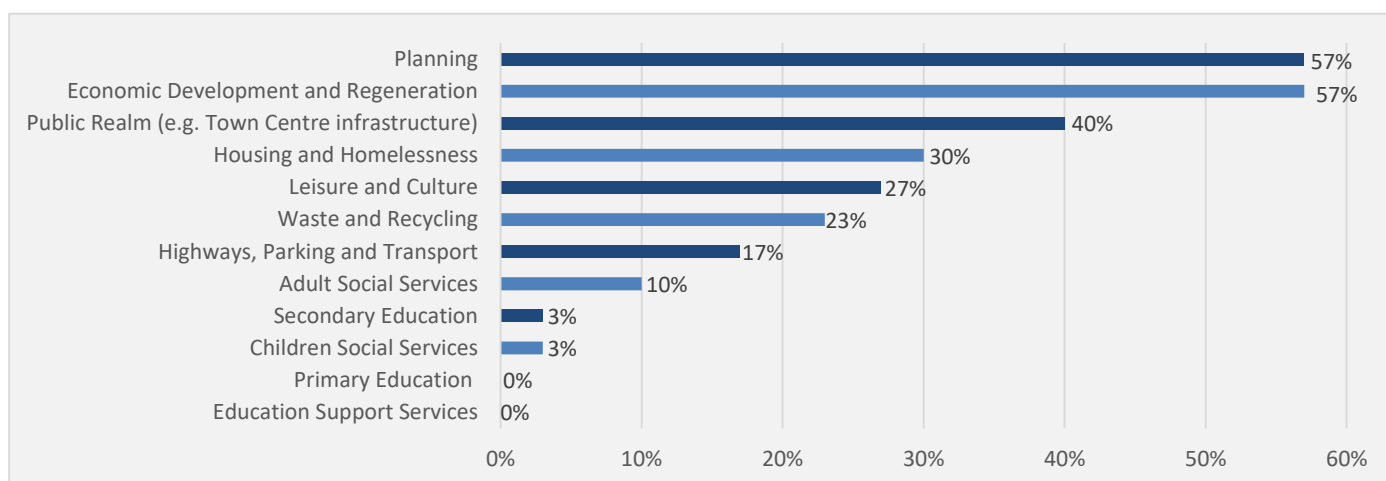
	Single	BME	16-24	25-64	65+	F	M
AIS	0.38	-0.33	-2.00	0.39	0.43	0.32	0.5
Sample	45	3	1	216	28	136	103

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.38	0.51	0.36	0.45	0.21	0.26	0.55
Sample	21	92	11	40	39	68	102

Response to accepting a 0.03% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 30 responses received).



Key themes from the public consultation:

Impact – 34 comments

- The majority of respondents raised concerns that the community would be greatly affected by an increase in fly tipping.
- A number of respondents stated that a reduction of recycling centres may result in a reduction in the number of people that recycle which will impact future generations.

Mitigation – 16 comments

- Some respondents suggested conducting a review on what times are most popular for people visiting the recycling centres. An informed decision can be made regarding the opening times when this information has been collated.
- Respondents suggested undertaking a campaign to encourage recycling at homes (e.g. home composting). Furthermore many respondents suggested educating residents and school pupils on the benefits of recycling.

Insight Session:

- Educate schools on how to recycle properly and reduce the number of workers at the centres as people have a better understanding of recycling.
- Collect recycling bags more often than black bags and introduce more separation for recycling (i.e. bag for newspapers/paper, bag for tins etc).
- More dispersed centres are required.

Councillor Engagement:

- Whilst some members were in agreement with this proposal others had concerns that rural areas in particular are at a disadvantage to the use of some services. It was also raised that if this proposal was implemented it could see an increase in fly tipping. If this proposal was to be implemented more amnesty events would need to be arranged in order to counteract the proposal. Members requested a site visit of all Household Waste Recycling Centres.

Social Media Comments:

- This will result in an increase in fly-tipping if this proposal is accepted incurring more costs.
- More litter bins required throughout the county.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
None
Mitigation:
Not Applicable
Assessment undertaken: Ainsley Williams 14/11/2018

25. Household Waste Recycling Centres – North of County

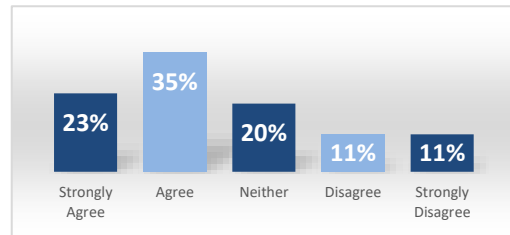
Total Budget: £13,665,000
3 Year Savings: £140,000

2019 - 20	2020 - 21	2021 - 22
70	0	70

Description: Household Waste Recycling Centre - Review new provision in the North of the County.

Increase in Council Tax if proposal not adopted: 0.16% (£1.93 a year).

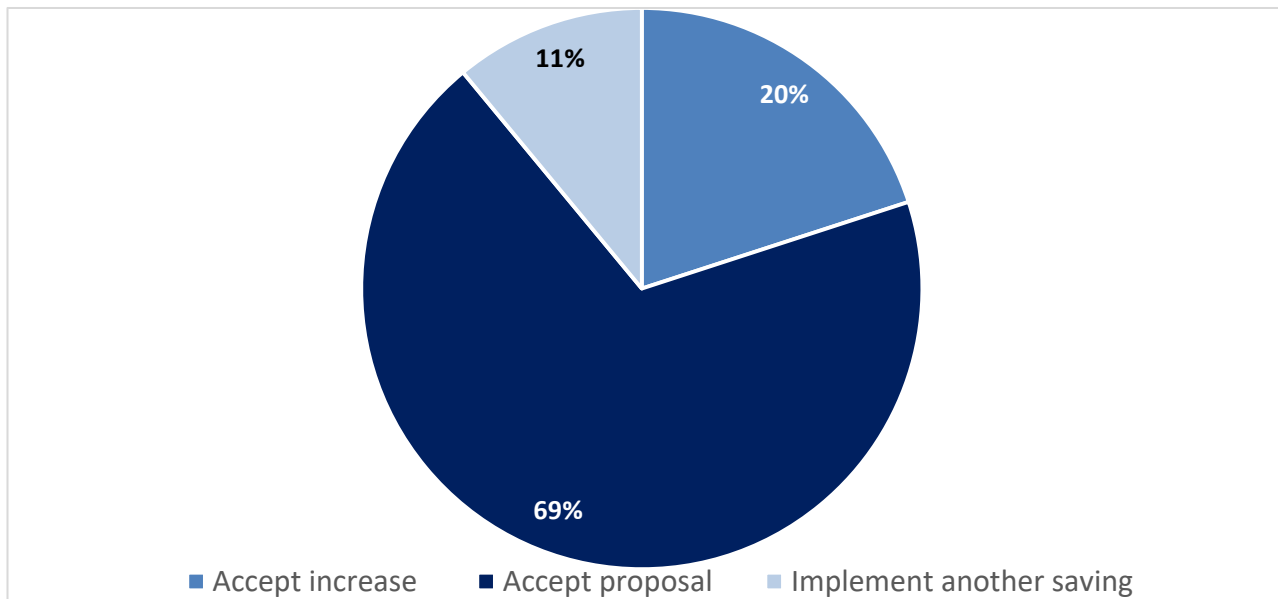
Average index score: 0.49
Overall Rank (of 27): 12
Sample Size: 261



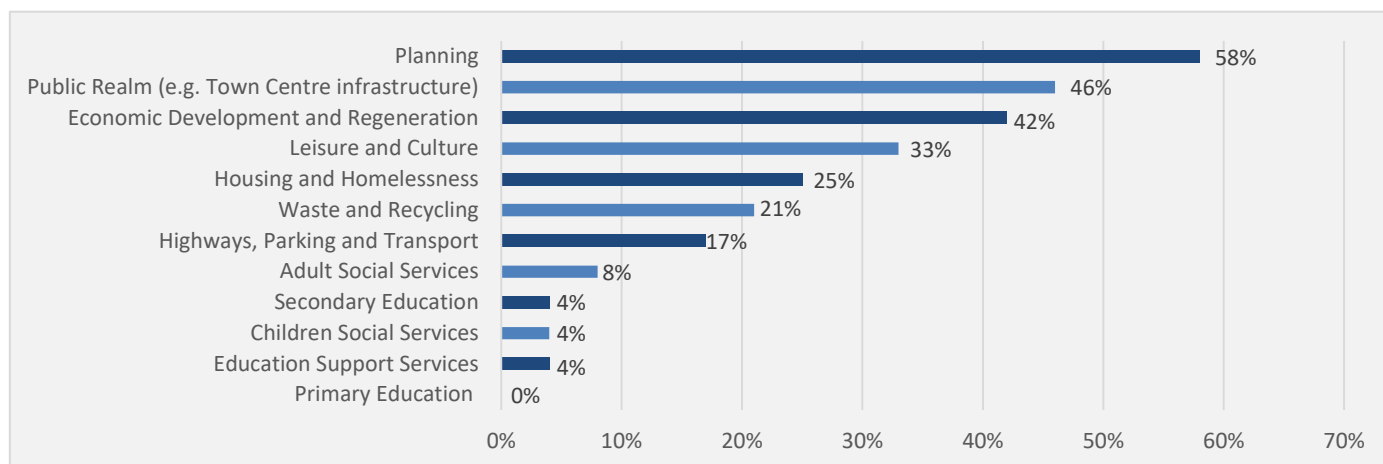
	Single	BME	16-24	25-64	65+	F	M
AIS	0.52	0.11	-2.00	0.54	0.65	0.47	0.63
Sample	42	3	1	211	26	133	100

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.62	0.51	1.00	0.57	0.15	0.58	0.68
Sample	21	90	11	40	39	65	100

Response to accepting a 0.16% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 24 responses received).



Key themes from the public consultation:

Impact – 20 comments

- This proposal would largely affect residents in the North of the county and many stated that there is a shortage of recycling centres in this area of the county as it is. Residents living in this area often have to travel long distances to dispose of their waste.
- Some respondents noted that the community would be affected by this proposal due to the increase of fly tipping.

Mitigation – 10 comments

- A suggestion was received which stated that the Council could reduce the number of days the recycling centres are open to make savings.

Insight Session:

- Educate schools on how to recycle properly and reduce the number of workers at the centres as people have a better understanding of recycling.
- Collect recycling bags more often than black bags and introduce more separation for recycling (i.e. bag for newspapers/paper, bag for tins etc).
- More dispersed centres are required.

Councillor Engagement:

- Whilst some members were in agreement with this proposal others had concerns that rural areas in particular are at a disadvantage to the use of some services. It was also raised that if this proposal was implemented it could see an increase in fly tipping. If this proposal was to be implemented more amnesty events would need to be arranged in order to counteract the proposal. Members requested a site visit of all Household Waste Recycling Centres.

Social Media Comments:

- This will result in an increase in fly-tipping if this proposal is accepted incurring more costs.
- More litter bins required throughout the county.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
None
Mitigation:
Not Applicable
Assessment undertaken: Ainsley Williams 14/11/2018

26. Bring Sites

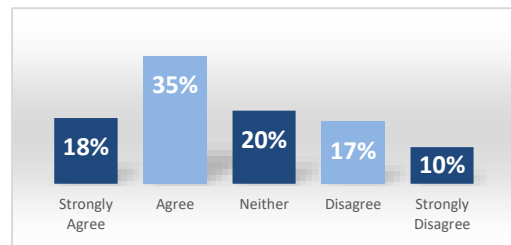
Total Budget: £301,000
3 Year Savings: £66,000

2019 - 20	2020 - 21	2021 - 22
0	0	66

Description: A review of all bring site provision is proposed with the aim of rationalising and standardising collections, thereby making the collection rounds more efficient. Glass currently accounts for about 6% points in overall recycling performance. The review would take into account levels of usage and any other difficulties with the sites. A reduction of between 30 and 40% is predicted reducing performance by up to 2% points.

Increase in Council Tax if proposal not adopted: 0.08% (£0.91 a year).

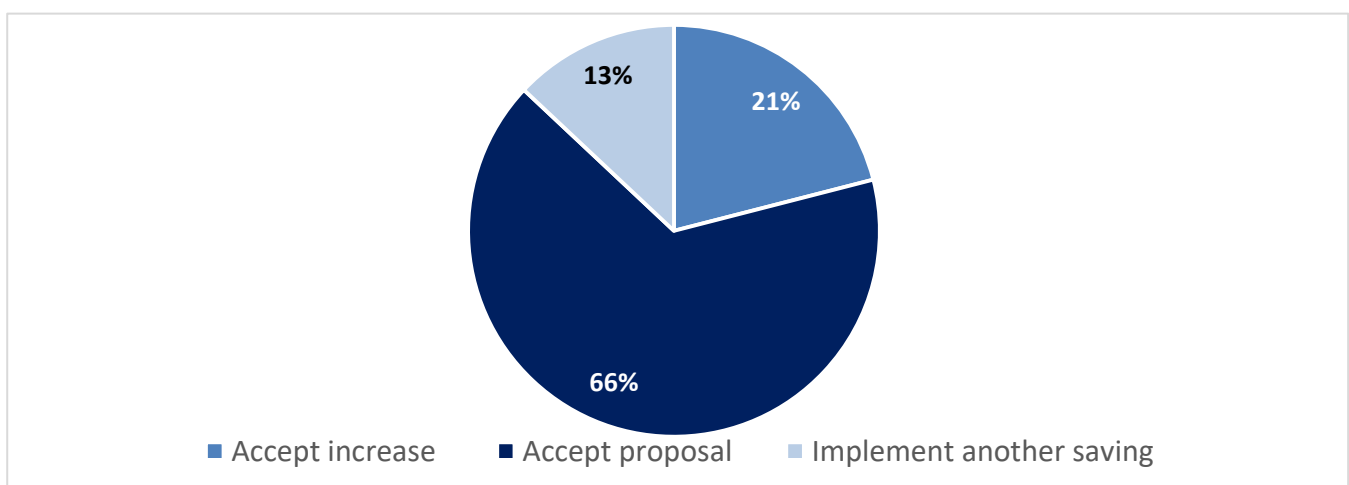
Average index score: 0.34
Overall Rank (of 27): 17
Sample Size: 261



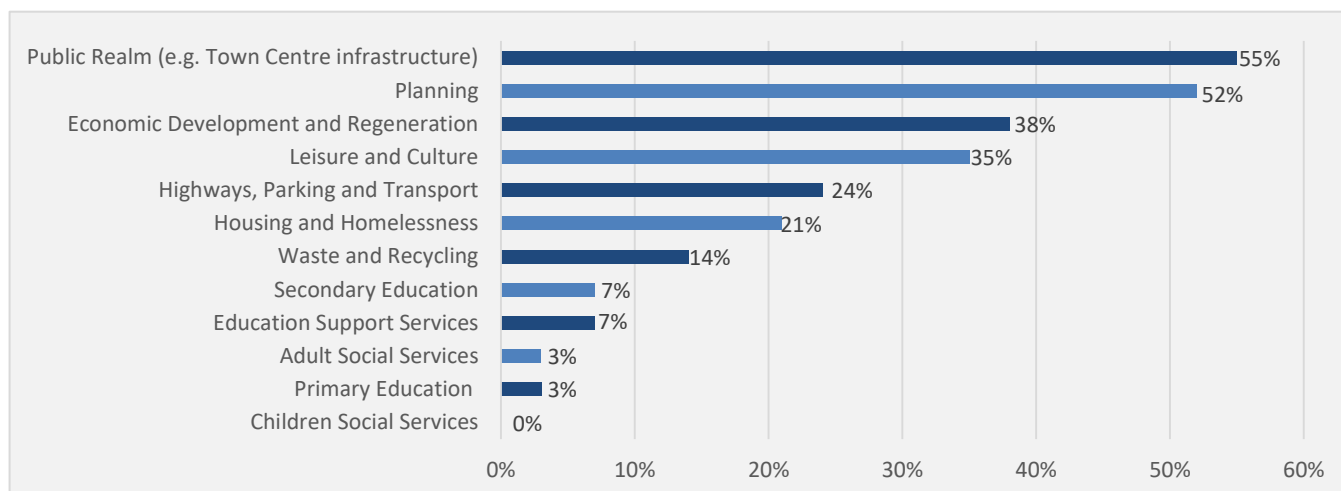
	Single	BME	16-24	25-64	65+	F	M
AIS	0.42	-0.33	-2.00	0.39	0.29	0.27	0.51
Sample	43	3	1	209	28	133	99

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.81	0.58	0.55	0.10	0.33	0.52	0.44
Sample	21	92	11	39	39	65	99

Response to accepting a 0.08% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 29 responses received).



Key themes from the public consultation:

Impact – 25 comments

- Many respondents stated that implementing this proposal would have an effect on the image of Carmarthenshire. Respondents noted that the County has an excellent recycling record and that this proposal may put this in jeopardy.
- Many respondents noted that individuals find it difficult enough to take their recycling to local bring sites as it is and this proposal could result in a reduction in the amount of recycling.
- Some individuals noted that implementing this proposal may result in an increase in fly tipping.

Mitigation – 18 comments

- The majority of respondents suggested that glass should be collected alongside blue bag collections fortnightly.

Other relevant information:

- The St Clears bring site currently has one glass bin and one cardboard/paper bin. As cardboard and paper can be collected kerbside, a way of still achieving the efficiency noted in the proposal would be to have two glass bins and no paper / cardboard bins. This would allow for fewer collections and would ensure that the glass bin doesn't get overfull. (St Clears Town Council)

Insight Session:

- Educate schools on how to recycle properly and reduce the number of workers at the centres as people have a better understanding of recycling.
- Collect recycling bags more often than black bags and introduce more separation for recycling (i.e. bag for newspapers/paper, bag for tins etc).
- More dispersed centres are required.

Councillor Engagement:

- Proposal agreed

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not Applicable
Mitigation:
Not Applicable
Assessment undertaken: Ainsley Williams 14/11/2018

27. Democratic Services

Total Budget: £1,796,000

3 Year Savings: £7,000

2019 - 20	2020 - 21	2021 - 22
0	7	0

Description: Proposal to change full County Council meetings from Monthly to Quarterly - the saving will be achieved through the reduction in County Councillor travelling expenses incurred.

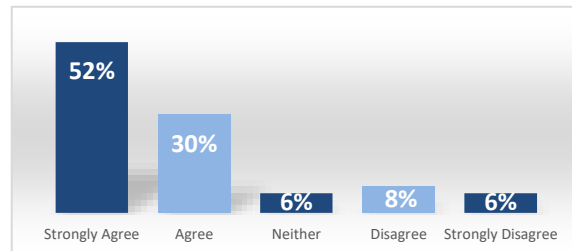
Increase in Council Tax if proposal not adopted: 0.06% (£0.68 a year).

Average index score: 1.10

Overall Rank (of 27): 3

Sample Size: 271

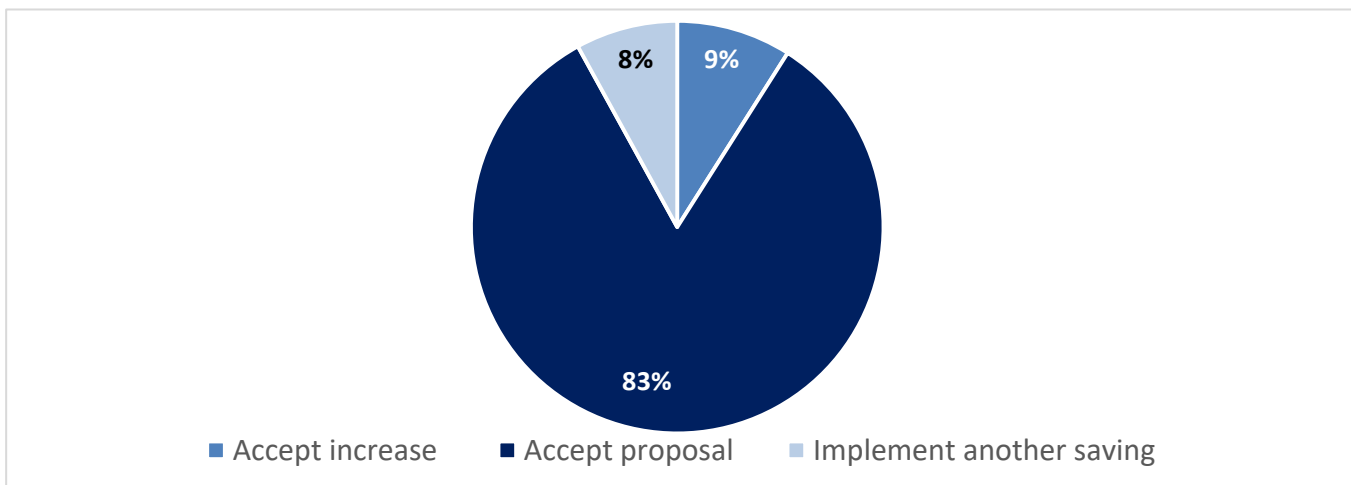
Previous AIS: 1.25 (2015)



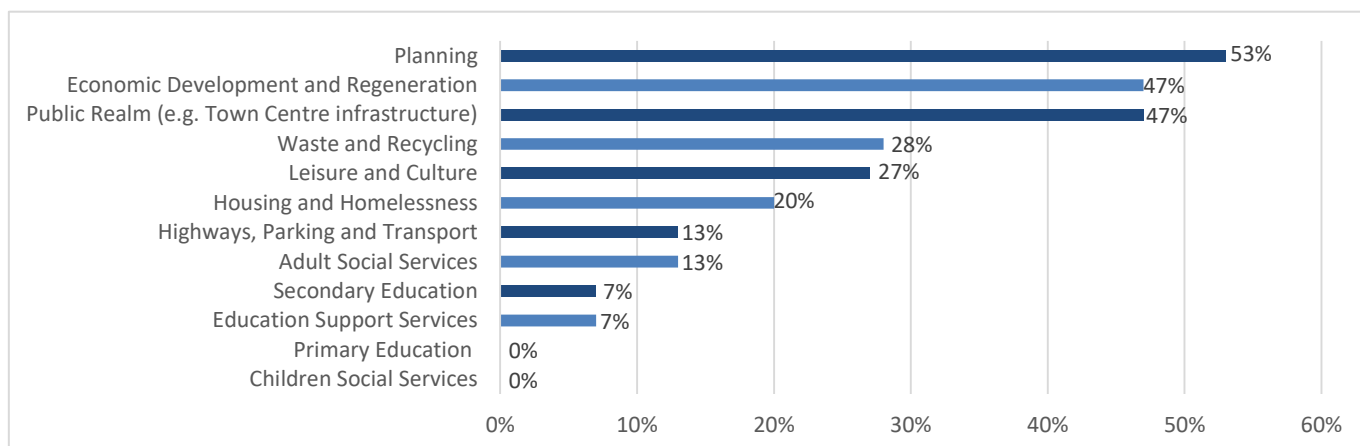
	Single	BME	16-24	25-64	65+	F	M
AIS	1.2	0.67	-2.00	1.19	1.1	1.18	1.14
Sample	44	3	1	215	29	136	104

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	1.48	1.29	1.55	1.02	1.15	1.23	1.10
Sample	21	93	11	40	39	69	102

Response to accepting a 0.06% increase in the Council Tax in order to avoid efficiency saving.



Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 15 responses received).



Key themes from the public consultation:

Impact – 36 comments

- The majority of respondents noted that implementing this proposal would have a bit impact on democracy. Many noted that it would take much longer to make decisions and there would also be less opportunity for scrutiny.

Mitigation – 20 comments

- A number of respondents suggested that the use of technology for meetings could ensure that the democratic process is not disrupted.
- A number of respondents also questioned whether councillor expenses needs to be reviewed with many noting that expenses should not be paid.

Other relevant information:

- The use of technology would allow meetings to continue and savings to be made. (St Clears Town Council)

Insight Session:

- The small saving of £7000 per year is not worth the effect it will have on democracy being prevailed in the council. It is important that we are able to scrutinise our councillors.

Councillor Engagement:

- The proposal could have a detrimental impact on the timeliness of decision making and therefore impact on delivery. Members thought that the Council meetings were an important forum for the public to ask questions. Some Members agreed that the number of Full Council meetings could be reduced to 10 per year, otherwise not supported. Disagreement to the £7k savings of cutting committees to quarterly – this will skew the democratic process.

Equality Impact Assessment summary:

Description of impact:
No Impact
Affected groups:
Not applicable
Mitigation:
Not Applicable
Assessment undertaken: Linda Rees Jones 9/11/2018

Residents were asked which services they would like to **PROTECT** from efficiency savings. Below is a table of their top 3 choices.

Services	Number of top 3 selections	Choice 1	Choice 2	Choice 3
Primary Education	139	72	48	19
Secondary Education	139	38	67	34
Children Social Services	131	48	35	48
Adult Social Services	82	25	34	23
Housing and Homelessness	69	19	11	39
Education Support Services	60	18	17	25
Highways, Parking and Transport	54	18	18	18
Waste and Recycling	37	8	10	19
Leisure and Culture	28	8	6	14
Economic Development and Regeneration	26	6	7	13
Public Realm (e.g. Town Centre infrastructure)	12	1	7	4
Planning	2	0	0	2

Residents were asked which services they would **CUT** in order to make efficiency savings. Below is a table of their top 3 choices.

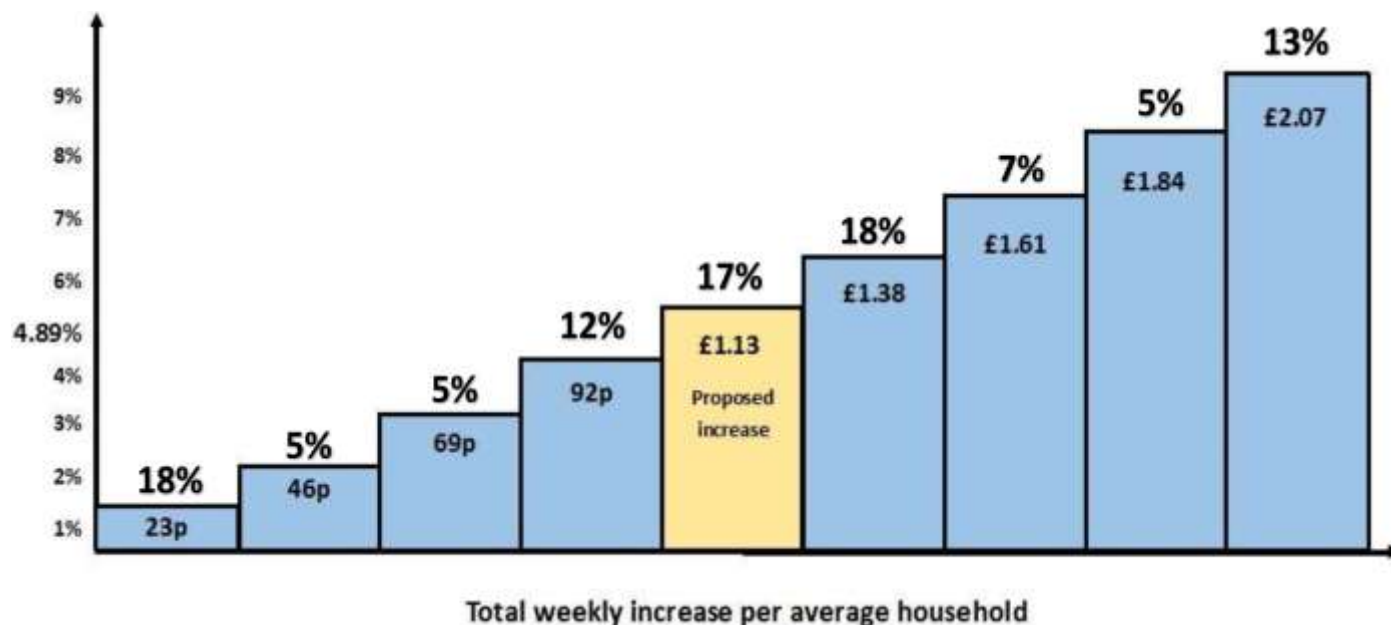
Services	Number of top 3 selections	Choice 1	Choice 2	Choice 3
Planning	157	51	66	40
Public Realm (e.g. Town Centre infrastructure)	139	50	49	40
Leisure and Culture	115	39	46	30
Economic Development and Regeneration	101	27	24	50
Highways, Parking and Transport	63	20	17	26
Waste and Recycling	54	13	18	23
Education Support Services	45	19	10	16
Housing and Homelessness	33	15	7	11
Adult Social Services	22	8	7	7
Secondary Education	17	5	8	4
Primary Education	16	11	3	2
Children Social Services	6	0	3	3

5) COUNCIL TAX

The survey explored public perception and tolerances in relation to Council Tax increases, explaining that the Council is considering an increase of 4.89% for 2019–20. Respondents were asked whether they would accept this increase or had the option to select other percentage increases to the Council Tax, recognising the impact on services. The graph below gives a picture of the total weekly increase (per average household) respondents would be prepared to accept ranging from 23p to £2.07. A total of 263 respondents selected their preferred increase and the results indicate that:

- 60% of respondents indicated that they would accept the proposed increase or a higher rate in order to protect services.
- In total of 40% of respondents chose a lower Council Tax increase to the proposed 4.89%.

All results are displayed above each bar in the graph below.



A total of 259 respondents included their post codes. Please see below table.

Area	SA4	SA14	SA15	SA16	SA17	SA18	SA19	SA20	SA31	SA32	SA33	SA34	SA39	SA40	SA44	Other
Number of Responses	4	41	48	12	14	21	24	11	25	7	31	6	3	1	6	5
% Responses	1.5%	15.8%	18.5%	4.6%	5.5%	8.1%	9.3%	4.2%	9.7%	2.7%	12.0%	2.3%	1.2%	0.4%	2.3%	1.9%

6) NOTES FROM SCHOOLS STRATEGY BUDGET FORUM AND TU CONSULTATION MEETINGS

Schools Strategy Budget Forum – 23rd November 2018

Following a presentation to the meeting by the Head of Financial Services (HoFS) the following comments were made by Forum members:

- Teacher redundancies can result in high levels of severance costs for the Department.
- Standards will decline if a workforce is not provided appropriately – this includes the service provided by Teaching Assistants (some teaching jobs carried out by Teaching Assistants).
- The current, challenging position demands acceptance / recognition by all that standards will be affected.
- Schools are experiencing ever increasing pressures and a range of challenges surrounding ALN/Behaviour Support services and provision in particular

- Members noted an increasing level of additional needs across Early Years children on entry.
- Sickness levels indicate the many pressures currently on teachers – we need to work together to alleviate and resolve this.
- Members noted their thanks for the transparent and collaborative nature of the discussion and presentation.

Corporate Employee Relations Forum (CERF) Meeting 26/11/2018

The Head of Financial Services attended the meeting to present information on the efficiency proposals for each department.

There was a mixed response with Unite suggesting the council tax be increased and a referral to the significant increases in Pembrokeshire compared to Carmarthenshire. Whilst Unison stated that their response would be a ‘no cuts budget’.

All unions were requested to provide feedback at the next CERF meeting on 3rd January 2019.

Follow-up Budget Consultation Meeting with Trade Union representatives held on 3rd January 2019

RH updated the TUs on developments since his attendance at the previous CERF on 26th November. The final settlement from WG had been confirmed just before the Christmas holiday with CCC being allocated an additional £1.5 million. After taking into account capital thresholds and discretionary rate relief RH estimates that CCC is benefitting by around £600k.

RH believes that the £7.5 million (across Wales) has been provided to the WG to meet the additional costs of the 19/20 Teachers’ pay award is genuine new money, which is welcomed, however RH concerned that this payment is through a specific grant and therefore not guaranteed for future years beyond 19/20.

In respect of capital funding for the 21st century schools funding programme the intervention rate has been increased by WG from 50% to 65% which reduces CCC’s financial commitment from 50% match funding to 35%. In addition, RH confirmed that WG had announced an extra £100m over 3 years, of which CCC will benefit by an additional £6 million over the full term of the capital programme. RH referred to a report containing the detail of the five year capital programme which had been submitted to the Executive Board on 17th December

The TUs were invited to provide their feedback to the budget proposals:

PH asked RH to confirm that the cuts set out within the proposal amount to £9.8 million.

RH confirmed this figure was proposed for 19/20 in the draft budget, subject to the Council setting the council tax at 4.89% to reach a balanced budget

ME expressed concern at the impact of a higher council tax on employees. ME considered that the level of cuts being proposed will devastate services and schools and have a massive impact on employees. ME put forward his view, which is also that of UNISON nationally, that councils implement a “no-cuts” budget, with the ultimate

goal of a change of Westminster government and reversal of austerity.

PH suggested that it would be helpful to have from each department where they anticipated the cuts in budget impacting on staffing

ME queried if this detail is set out within the Managerial Savings section of the budget papers. ME aware of proposal to lose Family Support Workers and believed this to be a short sighted decision which would have an adverse effect on schools.

RH confirmed that the Managerial Savings are contained within Appendix B and include all managerial proposals by department, existing policy proposals from previous budgets and all new policy proposals

PH considered it important for the TUs to receive early indication of changes to staffing arrangements.

PT confirmed that the Severance Scheme continues to be available as an option for changes to staffing structures although the cost associated with such releases may mean that the business case cannot be supported. In these circumstances efficiency of the service releases may be viable although a financially sound business case would have to be made.

RH confirmed that it is intended to present the final budget proposals at the Executive Board meeting on 4th February with a view to this being presented to the County Council meeting on 20th February.

ME contended that Council reserves should be utilised to avoid cutting services and that CCC should be campaigning with other LAs to oppose cuts to budgets.

RH confirmed that the bulk of reserves are earmarked for approved capital projects and not to do so would require significant changes to the capital programme, most obviously a reduction in new schools. RH clarified the responsibilities bestowed upon the Council's Section 151 Officer in ensuring that Members do not set an unbalanced budget and confirmed that borrowing is not permissible to support the revenue budget.

MP expressed his view that departments are not making sufficient effort to identify efficiencies and questioned the effectiveness of the TIC Team.

PT responded by stating that TIC has generated £16 million of savings since its formation

MP considers that income generation is not given enough regard and believes the approach taken should be "what we can do" as opposed to "what we can't do". MP expressed disappointment at there being no apparent interest from service managers for discussing potential income generation opportunities with the TUs

PT acknowledged the importance of maximising income generation opportunities and referred to People Management being prepared for its Health & Safety Trainer to deliver training to other public service providers.

RY asked MP if the service managers are those within Grounds Maintenance

MP stated that his concerns are not specific to grounds maintenance but that there should be a framework in place for all departments.

PT would seek the opportunity to raise MP's concerns at CMT and also at the Heads of Service Forum which is also attended by RH

RH acknowledged that there may not be a consistent approach taken across departments but thought it unlikely that the provision of internal services to third party organisations would derive sufficient profit to meet the huge scale of the budget challenge ahead. RH believes car parking, social services self-funding clients and school meals to be the biggest income areas currently.

RY thanked TUs for their feedback and requested that any written feedback be provided to RH at the earliest opportunity

7) MINUTES OF SCRUTINY COMMITTEE MEETINGS

ENVIRONMENTAL & PUBLIC PROTECTION SCRUTINY COMMITTEE – 10TH DECEMBER 2018

The Committee considered the Revenue Budget Strategy 2019/20 to 2021/22 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on 19th November 2018. The report provided Members with the current view of the Revenue Budget for 2019/2020 together with indicative figures for the 2020/2021 and 2021/2022 financial years. The report was based on officers' projections of spending need and took into account the provisional settlement issued by Welsh Government on 9th October 2018.

The Head of Financial Services advised whilst the announced provisional settlement represented a 0.3% reduction as an average across Wales on the 18/19 settlement, the impact on Carmarthenshire, after taking into account factors such as meeting the cost of the teachers' pay award and free school meals eligibility was a 0.5% reduction equating to £1.873m.

In summary, the budget proposals would assume full delivery of the £28 identified savings over the plan period. Furthermore, the budget proposals assumed a Council tax increase of 4.89% for 2019/20.

The Head of Financial Services also advised that subsequent to the publication of the council's budget proposals for consultation the Welsh Governments Cabinet Secretary for Finance had announced an additional £13m to be added to the Welsh Revenue Support Grant for 2019/20. Whilst specific details of the announcement had yet to be received, it had been estimated that the impact for Carmarthenshire would be the reduction in funding to 0.2% over the 18/19 settlement. Additionally, the Welsh Government had announced an extra £7.5m grant across Wales to part fund the teachers' pay award.

The Committee noted that the current projection for the Revenue Outturn for 2018/19 and that the main reasons for the Environmental Department overspends were

primarily due to non-achievement of car park income targets and a decrease in planning application income.

The Committee thereupon considered the following detailed budget information appended to the Strategy relevant to its remit:

- **Appendix A(i)** – Efficiency summary for the Environment and Public Protections Services;
- **Appendix A(ii)** – Growth Pressures summary for Environment Service;
- **Appendix B** – Budget extracts for the Environment, Public Protection and Community Safety Services;
- **Appendix C – Charging Digest for the Environment and Public Protection Services.**

The following questions/issues were raised on the report:-

- Reference was made to the Council’s efficiency savings in relation to the Highways – Rural Road Sweeping within Appendix A(i). In response to a query regarding the safety impact of ceasing the scheduled mechanical sweeping on rural roads, the Head of Transportation and Highways stated that whilst the proposal was to discontinue to undertake scheduled and ad hoc sweeping, the department would be responding to emergencies on a reactive basis, which could involve the use of contractors. It was intended that savings would be realised on a part efficiency and part reduction of service basis, for example mechanical sweeper attachments can be fitted to JCB’s at relatively low cost when patching works are undertaken.

Whilst the reductions in budgets was acknowledged, strong concern was expressed regarding the impact of safety should budgets continue to be reduced in future years.

- With regard to the proposal in relation the charging or potential removal of the transport provision for post 16 education. It was commented that whilst this had been postponed by one year in order to allow the authority to meet the statutory obligations in terms of changes, a number of Members not in favour of this proposal.

RESOLVED that:

- 4.1 The 2019/20 – 2021/22 Revenue Budget Strategy Consultation be received;**
- 4.2 The Charging Digest for the Environment and Public Protection Services be endorsed.**

The Committee considered the Revenue Budget Strategy 2019/20 to 2021/22 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on the 19th November 2018. The report provided Members with the current view of the Revenue Budget for 2019/2020 together with indicative figures for the 2020/2021 and 2021/2022 financial years. The report was based on officers' projections of spending need and took into account the provisional settlement issued by Welsh Government on 9th October 2018.

The Head of Financial Services advised whilst the announced provisional settlement represented a 0.3% reduction as an average across Wales on the 18/19 settlement, the impact on Carmarthenshire, after taking into account factors such as meeting the cost of the teachers' pay award and free school meals eligibility, was a 0.5% reduction equating to £1.873m.

In summary, the budget proposals would assume full delivery of the £28m identified savings over the plan period. Furthermore, the budget proposals assumed a Council tax increase of 4.89% for 2019/20.

The Head of Financial Services also advised that subsequent to the publication of the council's budget proposals for consultation, the Welsh Government's Cabinet Secretary for Finance had announced an additional £13m to be added to the Welsh Revenue Support Grant for 2019/20. Whilst specific details of the announcement had yet to be received, it had been estimated the impact for Carmarthenshire would be a reduction in the anticipated funding deficit from 0.5% to 0.3% over the 18/19 settlement. Additionally, the Welsh Government had announced an extra £7.5m grant across Wales to part fund the teachers' pay award. However, that was for one year only.

The Committee thereupon considered the following detailed budget information appended to the Strategy relevant to its remit:

- **Appendix A(i)** – Efficiency summary for the Regeneration, Leisure, Planning and Non HRA Housing Services;
- **Appendix A(ii)** – Growth Pressures summary for the Planning Service (none for the Regeneration, Leisure and Non HRA Services);
- **Appendix B** – Budget extracts for the Regeneration, Leisure, Planning and Non HRA Housing Services;
- **Appendix C** – Charging Digest for the Regeneration, Leisure, Planning and Non HRA Housing Services;

The following questions/issues were raised on the report:-

- The Committee's attention was drawn to the Councils' efficiency savings and to the current position whereby primary schools were responsible for funding the cost of swimming lessons, which had previously been borne by Leisure Services. As schools were facing reductions to their budgets, and the cost of providing the lessons was becoming a cause of concern for some, a suggestion was made that the Executive Board give consideration to the Council funding

the estimated £150k cost direct. Should that be possible, it would help improve children's fitness levels, improve their safety near water by teaching them to swim and have regard to the aims of the Well-being of Future Generations Act.

The Head of Leisure advised that as a result of the above, some schools had reduced the numbers of pupils receiving swimming lessons, in the main to key stage 2 pupils. He also reminded the Committee that the Welsh Government had previously provided free swimming during school holidays for children under 16 years of age and it was currently reviewing that provision.

The Head of Financial Services reminded the Committee that the current proposals represented a balanced budget, and if the proposal was to be endorsed, the additional estimated £150k cost would either have to be met from reductions in other service areas or by increasing the council tax.

- The Head of Leisure in response to a request for an explanation on the projected 190K operating deficit for the St Clears Leisure Centre in 2019/20, advised that a significant element thereof related to non-controllable costs such as corporate costs, central recharges, repayment of capital loans to fund improvements to the centre together with rates of £36k. The department, being acutely aware of the need to generate income/reduce operating costs, was developing an options appraisals for the centre with a view to increasing revenue/participation rates that included discussions with the Town and Community Council and various sports organisations/clubs. However, it should also be recognised that the provision of leisure facilities in rural areas would always be more challenging than for urban areas.

UNANIMOUSLY RESOLVED that:

- 5.1 The 2019/20 – 2021/22 Revenue Budget Strategy Consultation be received.**
- 5.2 The Charging Digest for the Regeneration, Leisure, Planning and Non HRA Services be endorsed.**
- 5.3 That the Executive Board be requested to give consideration to funding the estimated £150k cost to primary schools of providing school swimming lessons.**

SOCIAL CARE & HEALTH SCRUTINY COMMITTEE – 17TH DECEMBER 2018

The Committee considered the Revenue Budget Strategy 2018/20 to 2021/22 which had been considered by the Executive Board as its meeting on the 19th November, 2018. It was also noted that members of the Committee had recently attended consultation events on the budget which had provided them with an opportunity to ask questions and seek clarification on various aspects of the budget.

The report provided Members with the current view of the Revenue Budget for 2019/20 together with indicative figures for the 2021/22 financial years. The impact on departmental spending will be dependent upon the final settlement from Welsh Government and the resultant final Budget adopted by County Council.

The Committee considered the following detailed budget information appended to the Strategy relevant to its remit.

- Appendix A – Corporate Budget Strategy 2019/20 to 2021/22
- Appendix A(i) – Efficiency summary for the Social Care & Health Service
- Appendix A(ii) – Growth Pressures summary for the Social Care & Health Service
- Appendix B – Budget extracts for the Social Care & Health Service
- Appendix C – Charging Digest for the Social Care & Health Service

The Head of Financial Services provided an overview of the report. Key points covered included:

- The provisional settlement was announced on Tuesday 9th October 2018. Indicative figures for individual Local Authorities were provided for one financial year only, 2019/20, with no further information about future years' settlements.
- The main points of the Provisional Settlement 2019/2020 on an all Wales basis are as follows:
 - Local government revenue funding for 2019-20 set at £4.214 billion, a reduction of 0.3% (£12.3 million) compared to 2018-19
 - Welsh Government stated £13.7 million has been included towards the cost of the September 2018 Teachers pay award, yet only £8.1 million has been provided.
 - There was reference to £7m of additional funding to meet Local Authorities costs arising from WG's approach to free school meals. On this, it is clear that only £4m has been provided
- After adjustments for Welsh Government identified transfers, the reduction in the provisional settlement is 0.5% (£1.343m). The Aggregate External Finance (AEF) therefore reduces to £258,831k in 2019/20.
- Taking into account new responsibilities and transfers in, the reduction for Carmarthenshire is 0.7% (£1.873m).
- There is a new social services grant of £30m across Wales but the details of this grant is not yet known.
- There is significant pressure on the Council's pay bill due to the teachers' pay award 2018 and the implementation of the nationally agreed pay spine. The draft budget also considers the effect of the increase in Teachers Pensions Employer contributions c£4.5m full year effect.
- The "Earmarked Reserves" held by the Authority is declining due to the reduction of capital programme support as agreed by Council.
- The Authority is proposing a council tax increase of 4.89% for the next 3 years.

The Head of Financial Services provided an update and advised the Committee that since the despatch of the agenda the Cabinet Secretary for Finance had announced an additional funding package of £13m for the Revenue Support Grant across Wales and an additional £7.5m for Teachers' Pay. It was estimated that this would provide the Authority with an additional £1.3m. The final settlement figure was expected on Wednesday of this week.

The following questions/issues were raised on the report:

- Reference was made to the efficiency proposals and concern was expressed that managerial efficiencies may affect the quality of service provided. Officers were asked what services will be impacted?

The Head of Financial Services advised that customer services should not be impacted as it was mainly administrative functions that efficiencies would impact upon. He added that he did not have all the information with him and would provide a full response via e-mail following the meeting.

- Concerns were raised regarding the monies that Welsh Government announced the Authority would be receiving, but then the funding did not materialise. An example of this was the £20m that was allegedly earmarked specifically for social care.

The Head of Financial Services explained that there was a formal consultation process via WLGA and a collective response had been submitted to Welsh Government. The figure is to do with the standard spending assessment and the 0.5% reduction in spending. If there is any reduction then it is contained in that 0.5% and is not over and above. He added that there is a new social services specific grant.

- Asked if there was any way the Committee could relay its concerns to the WG regarding the money which was promised but not delivered,

The Committee was advised that in terms of the consultation process, comments have been fed into that by the Authority, the Leader has written to them and the Director of Social Services has also responded to the consultation in this regard;

- A question was asked regarding how the Authority is doing with regards to re-enablement.

It was stated that good progress is being made. A review of intermediate care is currently being undertaken which includes re-enablement, following the conclusion of which a report could be presented to Committee for consideration.

- An update was requested on the progress on Continuing Health Care.

The Head of Mental Health and Learning Disabilities stated that this area continues to be challenging but progress is being made. A Summit with the NHS is being scheduled in the New Year. The outcome of this Summit will be fed back to the Committee.

- Clarification was asked regarding Appendix C of the report. It states that Respite Care Charge to Clients for 2019/20 is for the full cost of placement.

It was confirmed that the client contribution will not change as this is capped by Welsh Government currently at £80 per week with an expected increase to £90 per week next year.

- Clarification was asked about the spend on IT and what it included.

The Committee was advised that this relates to department use and includes the purchase of new kit including phones for care workers. There is also cost attributed to the introduction of CM2000 software which will provide savings efficiencies through improved rostering planning.

- Clarification was sought on what “Other” referred to in the earmarked reserves table.

The Head of Financial Services advised that he did not have the information to hand but would be able to provide the details following the meeting.

UNANIMOUSLY RESOLVED that:

- 4.1 The 2019/20 – 2021/22 Revenue Budget Strategy Consultation be received;**
- 4.2 The Charging Digest for the Social Care & Health Service be endorsed.**

EDUCATION & CHILDREN SCRUTINY COMMITTEE – 20TH DECEMBER 2018

The Executive Board at its meeting on 19th November 2018 considered the Revenue Budget Strategy 2019/20 to 2021/22 and endorsed the report for consultation purposes.

The Director of Corporate Services provided members with an overview of the Revenue Budget for 2019/20 and indicative figures for the following two years. Members were advised that there was a possibility of a negative settlement, with a 0.5% negative settlement relating to £1.1 million in real terms. In anticipation of the settlement reductions, significant work has been undertaken to identify further service efficiencies/rationalisation.

The Draft Budget takes in to account the effect of the increase in Teachers Pensions Employers Contributions from 16.48% to 23.6%, a cost of £2.75m in 2019/20 and £1.75 in 2020/21. It is likely that this will be funded by a grant from the Welsh Government via Central Government.

A grant of £15m has been made available by the Welsh Government to Local Authorities and it is projected that the share for Carmarthenshire is in the region of £900k, however it has been stipulated that at present the grant must be used for professional training. It is not known whether this may change.

Budget pressures around the Education and Children’s Services are due in the main to school based Early Voluntary Redundancies, Special Educational Needs provision, a shortfall in the Music Service SLA income and Out of County Placements. Overall, the Authority is forecasting a variance of £2.237m at the year-end that will have to be met from General Balances.

The Director of Corporate Services summed up by advising that in previous years school budgets had been semi-protected and receive 1% above the national payment from the Welsh Government. However recent changes have moved the responsibility to the Authority and schools are being asked to manage their own costs within a cash neutral budget (inc pay rises and general costs such as utilities and services). This is not an ideal situation and the £900k offered for professional training would go a considerable way to covering any budget shortfall in this area.

The Director of Education and Children acknowledged that the department is under increasing pressure financially with a standstill budget and identifying areas for reduction was difficult.

The following questions/observations were raised on the report:-

- The Committee expressed concern at the proposed cuts to the Education Welfare Service (EWS) and asked for these to be reconsidered. It was felt that a reduction in this service would result in additional pressure on schools to manage non-attendance and to deal with issues surrounding non-attendance. The Director of Education and Children advised that the EWS provided a statutory service in dealing with non-attendance therefore the provision would have to continue albeit in a different form. The current non-attendance levels set by Welsh Government are 80% but there is consideration being given to increasing this to 85%, which would increase the workload of the EWS. It was also noted that some schools manage their own non-attendance and are keen to continue to do so. The department is looking at different models for the service, in particular the models used in Denbigh and Conwy and a report is being prepared on options for the future of the service which will be presented to Committee in due course.
- Concern was expressed with regard to the position in relation to teachers' pensions and officers were asked if the situation is unique to Carmarthenshire. The Committee was advised that it is not only an all-Wales issue it is in fact a national issue as the money is being held by central government and if the money is not received then a corporate decision would have to be made on how to proceed.
- The Committee also shared concerns about proposed reductions in Education and Child Psychology Services and School Counselling Services and an assurance was sought that these reductions would not have an impact on the amount of time children are allocated. The Director of Education and Children advised the Committee that it was not possible to say with any certainty that there would be no impact, however, the proposals include some efficiencies in costs which were not related to a reduction in staff. He acknowledged that with increasing emphasis on wellbeing and mental health, these proposals may have to be revisited. The contract for the School Counselling Service will be re-tendered in the future and it was hoped that the Authority could procure a better service at a cheaper cost.
- The Committee noted that some schools were holding reserves above the threshold, and members asked for an explanation on what, if any, plans were in place to work with these schools. The School Funding (Wales) Regulations 2010 requires schools to limit their accumulated reserves at year end to £50,000 for Primary Schools and £100,000 for Secondary and Special Schools or 5% of their budget dependant on what is greater. As at 31st March 2018, 18 primary and 6 secondary schools held surpluses in excess of the thresholds above. The Group Accountant advised that the majority of the Primary Schools were over by a few thousand pounds and that small changes, such as recruitment of a higher band teacher would negate this. Two of the Secondary Schools identified have committed the expenditure to capital projects. Members asked that the most recent figures be circulated.
- Clarification was sought on the locally determined funding formula as members highlighted that it appeared to vary across the Authority. The Director of Education and Children advised that the same formula is used for every school,

however some factors such as Free Schools Meals, Looked After Children, Special Units (similar to the unit at Ysgol Bro Banw) etc. can have an effect on the formula allocation. The Committee was reminded that a finance workshop has been arranged for members of the Committee on the afternoon of the 24th January 2019 which would include further information on the locally determined formula;

UNANIMOUSLY RESOLVED that

- 4.1 The 2019/20 - 2021/22 Revenue Budget Strategy Consultation be received;**
- 4.2 The Charging Digest for the Education and Children Department be endorsed;**
- 4.3 The Committee's serious concerns regarding any reduction in the Education Welfare Service, Education and Child Psychology Service and the School Counselling Service and the serious implications of any reduction be relayed to the Executive Board;**
- 4.4 That the Committee's request that any additional money identified Identified across the Authority's budget should be vired to the Education Department be relayed to the Executive Board.**

POLICY & RESOURCES SCRUTINY COMMITTEE – 11TH JANUARY 2019

- 1.1.** The Committee considered the Revenue Budget Strategy 2019/20 to 2021/22 which had been endorsed by the Executive Board for consultation purposes at its meeting on 19th November 2018. The report provided Members with the current view of the Revenue Budget for 2019/2020 together with indicative figures for the 2020/2021 and 2021/2022 financial years. The report was based on officers' projections of spending need and took into account the provisional settlement issued by Welsh Government on 9th October 2018. It was reported that the announced provisional settlement had been better than anticipated though the reduction on the current year's settlement, which had an enhanced impact when inflationary factors, demographic and demand changes were considered, had a significant negative impact on the Council's resources.

The budget proposals, as presented in the report, assumed the full delivery of all of the savings proposals submitted, together with the identification and delivery of the shortfall in savings proposals 2020-21, and 2021-22. Further cost reductions in the region of £9m needed to be identified and/or larger council tax increases would need to be agreed to deliver a balanced budget in each of the three years. Given the scale of the budget gap forecasted Council Tax increases had been increased from the previous MTFP [Medium Term Financial Plan] to 4.89% in each of the three financial years which provided at least some mitigation to the savings proposals. Officers were thanked for their work in preparing the report and appendices.

Amongst the issues raised during consideration of the report were the following:

- The Head of Corporate Services, in response to a query, commented that he would be willing, via One Voice Wales, to provide assistance with any training required by community councils on budget management;
- The Head of Corporate Services agreed to ascertain whether Land Charges Unit reclaimed VAT on search fees;
- The Head of Corporate Services agreed, in future, to include in his report, relevant questions raised and responses given at the budget consultation sessions involving Councillors prior to Policy and Resources Scrutiny Committee;
- Concerns were reiterated over the possible economic and budgetary implications of BREXIT;
- Reference was made to the jobs which could be lost as a result of efficiency savings and the knock on effect for the local economy.

UNANIMOUSLY RESOLVED to accept the report and endorse the Charging Digest.

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	ORIGINAL TARGETS			
	2019/20	2020/21	2021/22	Total
	£'000	£'000	£'000	£'000
	Chief Executive	552	534	464
Education & Children	1,249	1,208	1,048	3,505
Schools Delegated	2,642	2,593	2,452	7,687
Corporate Services	238	230	199	667
Community Services	3,443	3,330	2,890	9,664
Environment	1,700	1,644	1,427	4,772
	9,825	9,539	8,481	27,845

	REVISED TARGETS			
	2019/20	2020/21	2021/22	Total
	£'000	£'000	£'000	£'000
	Chief Executive	552	534	464
Education & Children	1,249	1,208	1,048	3,505
Schools Delegated	2,145	2,593	2,452	7,190
Corporate Services	238	230	199	667
Community Services	3,443	3,330	2,890	9,664
Environment	1,700	1,644	1,427	4,772
	9,328	9,539	8,481	27,348

Proposals	Pages 2 to 11				Page 12-13				Page 14-17				TOTAL PROPOSALS			
	MANAGERIAL				EXISTING POLICY PROPOSALS				NEW POLICY PROPOSALS							
	2019/20	2020/21	2021/22	Total	2019/20	2020/21	2021/22	Total	2019/20	2020/21	2021/22	Total	2019/20	2020/21	2021/22	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	498	279	153	930	0	0	0	0	0	7	0	7	498	286	153	937
Education	380	235	0	615	50	50	0	100	610	475	280	1,365	1,040	760	280	2,080
Schools Delegated	0	0	0	0	2,145	2,593	2,452	7,190	0	0	0	0	2,145	2,593	2,452	7,190
Corporate Services	292	286	228	806	0	0	0	0	0	0	0	0	292	286	228	806
Community Services	3,361	2,646	2,815	8,822	74	14	14	102	188	110	105	403	3,623	2,770	2,934	9,327
Environment	996	432	697	2,125	312	469	555	1,336	422	68	311	801	1,730	969	1,563	4,262
	5,527	3,878	3,893	13,298	2,581	3,126	3,021	8,728	1,220	660	696	2,576	9,328	7,664	7,610	24,602

SHORTFALL - to be identified	
	Total
	£'000
Chief Executive	614
Education & Children	1,425
Schools Delegated	-0
Corporate Services	-139
Community Services	336
Environment	510
Unallocated	-
	2,746

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Chief Executive							
Information Technology							
Information Technology	3,672	ICT Services underpins and contributes towards all that the Council delivers both internally as an organisation and externally to service users and communities, independently or in partnership. It is a vital function providing innovative opportunities for improving services and achieving our priorities in an efficient and effective way. IT Services is pivotal as an enabler of change and a vehicle for driving forward transformational improvement to all services. We have a workforce of 62.5 FTE's which has reduced over the last 7 years from 109 FTE's and we have delivered £3.1m in efficiency savings over the last 9 years. As we continually strive to deliver our solutions in an efficient manner and in line with our key Digital Strategies (Digital Transformation Strategy, Digital Technology Strategy, Digital Schools Strategy) our major savings in 2019/20 are delivered through rationalising software and hardware maintenance contracts that we hold.	173	169	153	495	2019/20 - £135k will be delivered by rationalising the software maintenance contracts we have in ICT Services. £38k from operational costs e.g reduce travelling costs, consumables, subscriptions. 2020/21 - Over the years the BT technology has been superseded with modern Internet Protocol based solutions. ICT Services will be replacing this aging infrastructure in order to utilise the latest technology which in turn will deliver the £150k revenue efficiencies. £19k will be delivered through reducing Operational Costs. 2021/22 - Technology improvements being implemented by ICT and BT on the PSBA network will deliver reduced revenue costs. We will be looking to benefit from the latest technology regarding ChatBotts and Artificial Intelligence to assist in delivering services and this will allow us to consider staff EVR requests.
Total Information Technology			173	169	153	495	
Democratic Services							
Council & Committee Reports		The cost of officer support to County Councillors including administrative support, member allowances and expenses.		25		25	County council has approved that meeting report packs will in future be sent to councillors electronically. This will reduce administration cost, printing and postage
Total Democratic Services			0	25	0	25	
People Management							
Human Resources	798	HR provides advice and guidance to people managers as well as ensuring the Authority is compliant with employment legislation . Employment Policy framework development and maintenance. The service is currently being reviewed with a view to providing a more integrated HR/Payroll Support service to its users and meet the challenges of the Education agenda and collaborative working.	38			38	2019/20 income generation ie Pembs OH service
Payroll	353	Payroll: administering pay for all employees and members, managing payroll records and providing a number of returns and statistics on staffing.The corporate Payments Service provides a range of payment solutions that support both internal and external clients in the settlement of supplier invoices relating to the receipt of goods and services.	40			40	2019-20 Structure realignment & postage
Learning & Development	474	The service is currently responsible for meeting the corporate, generic learning & development needs of Carmarthenshire County Council's workforce & through a strategic partnership enabling the needs of the social care sector workforce in Carmarthenshire to be met. All corporate L&D programmes are developed to meet the needs of the organisation by closely aligning with the vision, objectives & priorities of the organisation. Social care workforce development is closely aligned with WAG/Care Council/SSIW regulations, guidance & frameworks and the needs of changing service provision, in particular the integration of Health & Social Care. It coordinates the Investors in People programme supporting the organisation via the IIP Steering group to maintain IIP recognition	0	35		35	2020/21 SCWDP regional working
Total People Management			78	35	0	113	
Total Chief Executive, IT, PMP & Administration & Law			251	229	153	633	
Regeneration, Policy & Property							
Customer Focus & Policy							
Registrars	130	Carmarthenshire Registration Service is a single district civil registration authority, co-terminous with the county boundary, called Carmarthenshire Sir Gaerfyrddin district 822. The district is managed and delivered by Carmarthenshire Registration Service. The Carmarthenshire Registration Service consists of 26 members of staff, who work across the county as one team with three offices open to the public in Carmarthen, Llanelli and Ammanford. In any given year the service registers approximately 500 marriages / civil partnerships, 2700 births and 2300 deaths.	9			9	Reduce supplies & Services expenditure
Net Departmental Administration	394	The Unit discharges the budget monitoring and acts as the support role for the services of the department based at County Hall, i.e. Chief Executive, Regeneration and Policy and Administration and Law, together with departmental staffing functions and business support including the central mail service and the management of access to buildings under the Council's Security Card System and the issuing of identification cards.	25			25	2019-20 - Realignment of service area to focus on wider departmental services within Chief Executives;

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Performance Management	514	The Performance Management Unit is responsible for providing a corporate lead on performance management for the Council that ensures a strong ethos of continuous improvement runs through everything the Council does.	5			5	2019-20 Income generation from provision of Performance Management software to other Authorities
Marketing and Media (contact centres, press, communication, translation and customer services)	1,533	Newly formed business unit comprising of translation, marketing and tourism, contact centres, customer services, press and communications.	96			96	2019-20 - Continued service review within the newly formed Marketing and Media section (this also to include contact centres and customer services)
Total Customer Focus & Policy			135	0	0	135	

Regeneration

Economic Development Division	1,541	Economic Development Division forms part of Carmarthenshire County Council's Chief Executive Department. Led by the Director of Regeneration and Policy, it plays a fundamental role in regenerating both Carmarthenshire and the Region through investment and support. Economic Development is an extremely proactive service which has to constantly change to address the needs of Carmarthenshire's businesses and communities through the Integrated Community Strategy as well as addressing and contributing to the delivery of the policies and strategies of the newly formed Swansea Bay City Region, European Commission, UK and Welsh Governments.	112	50		162	Supporting of severance application. Continue to work with external funding partners to maximise income streams. Continue to review the contributions to current programmes and activities. Year 2 - Continue to review all business units within the portfolio
Total Regeneration			112	50	0	162	
Total Regeneration, Policy & Property			247	50	0	297	
Chief Executive Total			498	279	153	905	

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Education & Children							
Director & Management Team							
Departmental - cross cutting	556	Casual travel budgets across the Department	25	25		50	Reduce all casual mileage budgets by approximately 5% per annum through better journey planning, challenging the need for journeys, and utilising cheaper travel options including use of pool cars
Departmental - cross cutting	5,503	Budgets for supplies & services across the Department	50	25		75	Reduce budgets for supplies and services across the Department (e.g. training, stationery)
Departmental - cross cutting	5,503	Cross-departmental support costs including administration, financial processing, & premises management	100	100		200	Root & branch review of support services across the Department in order to realise savings and increase flexibility
Total Director & Management team			175	150	0	325	
Access to Education							
Catering Services	276	The management & administration of school meals income and banking	55	45		100	Provide the ability for parents to pay online for school meals (& other school payments, e.g. trips). Introduce electronic meal registers in primary schools, removing paper based systems. The changes will likely mean the removal of the School Meal Clerical role.
Catering Services	1,316	<ul style="list-style-type: none"> • The Catering Service provides school meals in all Carmarthenshire primary schools and 11 of the 12 secondary schools. • Based on current charges for a primary school meal, Carmarthenshire prices are the joint highest in Wales. • Costs have been saved over recent years by reducing staffing levels and smarter purchasing of food and other supplies. 		40		40	Remodel the central Catering Services Management Team in light of changes to school meal payment processes (reducing the full time equivalent)
Total Access to Education			55	85	0	140	
Education Services & Inclusion							
Home Tuition	270	A service to meet the needs of learners who due to illness cannot access their mainstream school.	20			20	Reduce costs
Business Support	405	The central Business Support Team provides a range of support services to the Department and Building 2 at St. David's Park, Carmarthen. This includes reception duties, management of pool cars, processing applications for Free School Meals, administering School Milk, and School Clothing Grants, and processing creditor payments across the Department	30			30	possible severance or reduction across multiple budget headings pending workload review
Total Education Services & Inclusion			50	0	0	50	
Children's Services							
Children's Services	6,628	A range of preventative and support services for children.	100			100	Review of services/utilisation of grants
Total Children's Services			100	0	0	100	
Education & Children Total			380	235	0	615	

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Corporate Services							
Financial Services							
Accountancy	1,306	The provision of a decentralised accounting and financial management service, covering: • Technical Accounting (Preparation of final accounts, corporate accounting and taxation), • Management Accounting (Month end close, maintenance of financial records and budgeting) • Strategic Finance functions (projects, planning and financial advice to members)	138	135	122	395	2019-20 - Increased SLA's income £50k, Reduction in external audit fees £58k, reduction in subscriptions £30k; 2020-21 - additional income from receivership work £50k, £15K reduction in subscriptions; restructuring £70k; 2021-22 Restructuring £122k
Total Financial Services			138	135	122	395	
Revenues & Financial Compliance							
Audit & Risk	701	The Division's costs are primarily made up of staffing costs: Head of Division (1 FTE), Internal Audit (10.8 FTE), Risk Management / Insurance (3 FTE), Corporate Procurement Unit (8.8 FTE) and Corporate Services Business Support Unit (2.6 FTE). Audit Committee have made consistent representations to maintain and strengthen the Internal Audit provision which currently stands at 10.4 FTE. The Risk Unit maintains the Corporate Risk Register and co-ordinates the approach to Risk Management across the Authority whilst also dealing with the Authority's Insurances (including management of all "live claims" made against the Council by employees and the public). The Corporate Procurement Unit supports Departments in ensuring cost effective legally compliant procurement of the array of goods and services utilised by the Authority's various Services (savings emanating from better procurement are shown in Departmental savings). Finally a small Departmental Business Support Unit supports the whole Corporate Services Department's approach to Performance & Development work and the range of administrative requirements including FOIA and Appraisal Monitoring.	0	0	20	20	Income generation from work undertaken on behalf of external organisations
Revenues & Benefits	1,768	Revenue Services Unit is responsible for the administration, billing and collection of Council Tax and Non Domestic Rates from householders and businesses, respectively. The unit also undertakes on behalf of all the Authority's departments, the billing, collection and recovery of miscellaneous income (known as Sundry Debts) as well as having responsibility for operating the Councils full time cash offices with the associated back-office income functions. In addition to these income collection functions, the unit is responsible for the administration of Council Tax Reduction scheme (formerly Council Tax Benefit) and Housing Benefit schemes which help low income households meet their rent and /or Council Tax. Although the Housing Benefits Fraud Investigation function formerly undertaken within the unit transferred the Department for Work & Pensions in 2015/16 the service continues to investigate Council tax Reduction fraud	54	50	86	190	2019-20 Realignment of Management Structure £54k; 2020-21 Further evaluation and potential realignment of division following implementation of Universal Credit
Council Tax Reduction Scheme	15,826		50			50	Budget currently greater than the demand for the scheme
Rent Allowances recovered	-117		50	50		100	Increase income target to reflect the high efficiency of overpayment recovery
Procurement	486			51		51	Structure Realignment
Total, Revenues and Financial Compliance			154	151	106	411	
Corporate Services Total			292	286	228	806	

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Community Services							
Leisure							
Pembrey Country Park	-43	Pembrey Country Park has been transformed into one of Wales's top visitor attractions providing a unique blend of coast and countryside. Eight miles of golden sands set against the spectacular backdrop of the Gower Peninsula and overlooking the coastal scenery of Carmarthen Bay. There is everything from caravan and camping (with electric), 550 acres of idyllic woodlands, 130m long dry ski slope to the longest toboggan run in Wales - all providing a perfect family day out or a relaxing holiday in idyllic surroundings.	40			40	PCP Efficiency saving from previously implemented Invest 2 Save project - no impact on service delivery
Pembrey Country Park	-43	Pembrey Country Park has been transformed into one of Wales's top visitor attractions providing a unique blend of coast and countryside. Eight miles of golden sands set against the spectacular backdrop of the Gower Peninsula and overlooking the coastal scenery of Carmarthen Bay. There is everything from caravan and camping (with electric), 550 acres of idyllic woodlands, 130m long dry ski slope to the longest toboggan run in Wales - all providing a perfect family day out or a relaxing holiday in idyllic surroundings.	25	25	25	75	Increased Income - combination of Campsite / parking / events
Pembrey Country Park	-43	Pembrey Country Park has been transformed into one of Wales's top visitor attractions providing a unique blend of coast and countryside. Eight miles of golden sands set against the spectacular backdrop of the Gower Peninsula and overlooking the coastal scenery of Carmarthen Bay. There is everything from caravan and camping (with electric), 550 acres of idyllic woodlands, 130m long dry ski slope to the longest toboggan run in Wales - all providing a perfect family day out or a relaxing holiday in idyllic surroundings.		5	10	15	Energy production schemes
Country Parks	115	Our Country Parks generate significant quantities of waste, especially at the caravan and campsite in Pembrey. Whilst every effort is made to minimise and re-cycle waste, there are opportunities to be more efficient in this area		8		8	Improved Waste Management procurement
Dinefwr Bowls Club	5	The Indoor Bowls in Ammanford is being managed by a local management board on a reducing subsidy from the authority.	5			5	Dinefwr Bowls - last year of reducing subsidy
Llanelli Leisure Centre	214	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandoverly, St Clears and Newcastle Emlyn. A variety of activities at your local leisure centre such as; Swimming, Diving, Canoeing, Fitness, Cycling, Badminton, Tennis, Table Tennis, Squash, Hockey, Netball, Basketball, Football, Rugby, Cricket, Gymnastics, Birthday Parties, Holiday programmes. There were over a million visits to the Leisure facilities in 2017/2018.			50	50	New Llanelli LC improved trading position
Gwendraeth Leisure Centre	3	Gwendraeth Sports Centre has a 4 court hall, 2 squash courts; and multi function room. Management has recently been transferred to a community group generating savings of circa £16k. Future community asset transfer via long term lease will deliver further savings.	11			11	Gwendraeth LC - saving from already agreed asset transfer
Carmarthen Leisure Centre	-53	Salix funding has been secured to invest in more energy efficient lighting and the installation of swimming pool covers to reduce overnight heat loss at our leisure centres	6			6	Carmarthen LC Energy Efficiency saving from previously implemented project - no impact on service delivery
Carmarthen Leisure Centre	-53	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandoverly, St Clears and Newcastle Emlyn. A variety of activities at your local leisure centre such as; Swimming, Diving, Canoeing, Fitness, Cycling, Badminton, Tennis, Table Tennis, Squash, Hockey, Netball, Basketball, Football, Rugby, Cricket, Gymnastics, Birthday Parties, Holiday programmes. There were over a million visits to the Leisure facilities in 2017/2018.	21	17	12	49	CLC increased income - combination of new products and increased usage
Amman Valley Leisure Centre	51	Salix funding has been secured to invest in more energy efficient lighting and the installation of swimming pool covers to reduce overnight heat loss at our leisure centres	5			5	Amman Valley LC Energy Efficiency saving from previously implemented project - no impact on service delivery
Amman Valley Leisure Centre	51	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandoverly, St Clears and Newcastle Emlyn. A variety of activities at your local leisure centre such as; Swimming, Diving, Canoeing, Fitness, Cycling, Badminton, Tennis, Table Tennis, Squash, Hockey, Netball, Basketball, Football, Rugby, Cricket, Gymnastics, Birthday Parties, Holiday programmes. There were over a million visits to the Leisure facilities in 2017/2018.	15	15	15	45	AVLC increased income - combination of new products and increased usage
Llanelli Leisure Centre	214	Salix funding has been secured to invest in more energy efficient lighting and the installation of swimming pool covers to reduce overnight heat loss at our leisure centres		5	1	6	Llanelli LC Energy Efficiency saving from previously implemented project - no impact on service delivery
Llanelli Leisure Centre	214	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandoverly, St Clears and Newcastle Emlyn. A variety of activities at your local leisure centre such as; Swimming, Diving, Canoeing, Fitness, Cycling, Badminton, Tennis, Table Tennis, Squash, Hockey, Netball, Basketball, Football, Rugby, Cricket, Gymnastics, Birthday Parties, Holiday programmes. There were over a million visits to the Leisure facilities in 2017/2018.	13	13	16	42	Llanelli LC increased income - combination of new products and increased usage
Coedcae Sports Centre	28	Coedcae Sports Centre is a dual use site, predominantly used for educational purposes by Coedcae School. The facility is opened up for community use in the evenings and weekends, mainly for club bookings, however, there is also individual use of the fitness facility and associated membership offers. The centre compliments and adds capacity to the local authority's offer at Llanelli Leisure Centre		2		2	Coedcae - extra fitness income
St Clears Leisure Centre	98	Salix funding has been secured to invest in more energy efficient lighting at our leisure centres			4	4	St Clears Energy Efficiency saving from previously implemented project - no impact on service delivery
Llandoverly Swimming Pool	108	Salix funding has been secured to invest in more energy efficient lighting and the installation of swimming pool covers to reduce overnight heat loss at our leisure centres			2	2	Llandoverly Pool Energy Efficiency saving from previously implemented project - no impact on service delivery
Pembrey Ski & Activity Centre	38	Pembrey Ski Centre compliments the wider Country park. It has a 130m dry ski slope, one of few left across Wales, and the longest toboggan run in Wales. There is scope to develop the centre for adrenaline based activities and an improved catering offer	15	15	15	45	Pembrey Ski & Activity Centre - new income streams from adrenaline based activities and improved catering offer
Theatres	848	Y Ffwrnes, The Miners Welfare Theatre and The Lyric form part of the Theatres portfolio. We are planning to undertake carbon trust energy assessments of all Cultural buildings, with a view to reducing costs through more efficient use and management of energy.			5	5	Building Energy savings
Theatres	848	Carmarthenshire Theatres manages the Miners' Ammanford, Lyric Carmarthen and Ffwrnes Llanelli and promotes a broad range of events and productions throughout the year for all age groups and interests. During 2017/18 a total in excess of 100,000 paying customers and participants visited and made use of our facilities. As Carmarthenshire's flagship theatre The Ffwrnes is increasingly establishing itself as one of Wales's leading Cultural and Entertainment venue. 266 visiting companies and hirers 400 performances/events 74,130 attendances 33,805 participants	29	15	8	52	Reduced agency staffing costs & Increased income - Theatres

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Libraries	2,421	Carmarthenshire libraries provides an extensive choice of books, DVDs, CDs, online services, newspapers and magazines, there is something for everyone! With over half a million books on offer between 3 regional, 13 branch and mobile libraries you're never too far away from a centre of knowledge. Public access computers and Wi-Fi are available at all libraries. Keeping up to date with technology there is now the Playstation 4 available at Llanelli, Carmarthen and Ammanford library. Carmarthenshire is the 4 th busiest Library in Britain. There have been over 600,00 issues of books per year. Promoting a new mobile service in January 2017 as an out of reach service, linking up with various partners to deliver this new service.	5	5	37	47	Libraries - cost efficiencies and income generation through room hire
Museums	429	The Museums Service is made up of the County Museum at Abergwili, Parc Howard, The Museum of Speed, and Kidwelly Industrial Museum which is managed through a Trust.			13	13	Museums - reduced costs & increased income
Arts	249	Arts venues include Oriol Myrddin Art Gallery in Carmarthen, Y Gat in St. Clears and the Dylan Thomas Boathouse, Laugharne	10	10	10	30	Arts Venues - reduced costs & increased income
Archives	128	A new archive is currently being built at the rear of Carmarthen Library. Archive material is currently stored at Glamorgan Archives in Cardiff and the Richard Burton Archive in Swansea.		2	2	4	Archives - income generation
Total Leisure			200	137	224	560	

Communities - Excl Leisure

Domiciliary Care	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	298	300	100	698	Domiciliary Care Reduce % of Double handed care to match best performing authorities' performance. Needs an £80k Invest to Save
Domiciliary Care	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	75	75	75	225	Domiciliary Care Reduce % of people receiving 4 calls+ per day
Domiciliary Care	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	130	130	130	390	Domiciliary Care Outcome focused Dementia care / Fulfilled Lives
Domiciliary Care	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	164	0	0	164	Rightsizing of long term care packages for new clients discharged from hospital, including improved reablement
Care Management		TEXT NEEDED	60	0	0	60	Review/remove vacant posts & general review of staffing
Domiciliary Care	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	94	156	140	390	Domiciliary Care Halve the number of small packages of care by 2020
Domiciliary Care	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	0	186	186	372	Information Advice & Assistance Support people to manage their difficulties without care
Residential Care	25,161	Residential care is provided in local authority and private sector care homes for individuals who can no longer live independently in the community. Depending on the nature of their needs, their placement may be made by the local authority or jointly with the health board, or entirely by the health board if they qualify for free continuing health care (CHC).	60	30	30	120	Residential Care Moving 6 S.U out to Adult Placements
Residential Care	25,161	Residential care is provided in local authority and private sector care homes for individuals who can no longer live independently in the community. Depending on the nature of their needs, their placement may be made by the local authority or jointly with the health board, or entirely by the health board if they qualify for free continuing health care (CHC).	150	300	300	750	Residential Care Manage Demand from hospital inc CHC + Out of County placement
Residential Care	25,161	Residential care is provided in local authority and private sector care homes for individuals who can no longer live independently in the community. Depending on the nature of their needs, their placement may be made by the local authority or jointly with the health board, or entirely by the health board if they qualify for free continuing health care (CHC).	0	0	0	0	Respite/Short Term - proposal under development
Domiciliary Care	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	0	0	0	0	TEC Solutions - proposal under development
Residential Care Homes	25,161	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 199 Mental Health & Learning Disability clients funded in a Private Residential Care Home	120	80	80	280	Stepping down 9 individuals from residential care into Shared Lives settings £1000-£350 = £650pw, £300k (half year effect = £150k)
Residential Care Homes	25,161	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 199 Mental Health & Learning Disability clients funded in a Private Residential Care Home	41	50	50	141	Conversion of residential placements into Supported Living for 6 individuals Based on evidence of Y BWA project in February 2018
Supported Living	6,863	Supported living is a type of residential support that helps vulnerable adults, including people with learning disabilities, to live independently in the community. Supported living arrangements are very flexible and are designed to give each person choice and control over their home and the way they live their life. As of the 30th September 2016 there were 146 Mental Health & Learning Disability clients receiving supported accommodation.	255	100	100	455	Review of hours in supported living 3.5% reduction of hours of 7m
Residential Care Homes	25,161	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 199 Mental Health & Learning Disability clients funded in a Private Residential Care Home	195	100	100	395	reduction in 1:1 hours in residential care due to reviews / right sizing and intervention of Positive Behaviour Team 25 x 10 hours per week x 52 weeks x £20ph based on 9 months

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Residential Care Homes	25,161	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 199 Mental Health & Learning Disability clients funded in a Private Residential Care Home	300	200	200	700	Review existing and new joint funded service users to ensure correct CHC contribution
LD Day Services	4,249	LD & MH day services currently provide support for approximately 300 individuals across the county utilising 9 different sites. The services provide opportunities for individuals to receive therapy, maintain their health and wellbeing, gain skills, socialise whilst also providing respite for carers. The review of day services has highlighted the need to develop community options and specialist services which will see a decline in the use of building based services. This will provide opportunities for us to develop intergenerational services in partnership with adult services within Coleshill and Manor rd and vacate the premises at Crosshands.	216	100	10	326	Collaboration with social enterprise for craft / Reprovision of a day centre / transport
Community Inclusion		LD & MH day services currently provide support for approximately 300 individuals across the county utilising 9 different sites. The services provide opportunities for individuals to receive therapy, maintain their health and wellbeing, gain skills, socialise whilst also providing respite for carers. The review of day services has highlighted the need to develop community options and specialist services which will see a decline in the use of building based services. This will provide opportunities for us to develop intergenerational services in partnership with adult services within Coleshill and Manor rd and vacate the premises at Crosshands.	138			138	restructure of management posts in Community Inclusion and removal of vacant posts
Community Services	2,216	Provision by the private sector of Day Care and Community Support for people with learning disabilities	60	30	30	120	Improved commissioning framework for LD Community Services
Residential Care Homes	25,161	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 199 Mental Health & Learning Disability clients funded in a Private Residential Care Home	0	100	200	300	Develop market for range of accommodation
Residential Care Homes	25,161	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 199 Mental Health & Learning Disability clients funded in a Private Residential Care Home	0	50	150	200	Utilisation of Intermediate care Fund Capital and Housing revenue Account
Preventative Services		Preventative services for Mental Health, Learning Disability and Substance Misuse clients need to be developed and strengthened in order to prevent crisis, escalation of need and to enable service users to live as well and independently as possible. There are a range of services currently available and a number of opportunities to explore with in house provision and external partners	0	100	200	300	Investment in preventative services
Management		This proposals will explore the possibilities of working closer and building on existing relationships with our partners in other organisations and sectors.	0	50	50	100	Explore opportunities for regional and integrated management structure
Packages of care		Resource Allocation System is a tool to allow for a more fair, transparent and equitable distribution of resources for social care. Evidence suggests that the current systems produce a mismatch in the allocation of resources relative to need and that the proposed model results in better choice and control for service users and their families and lower overall expenditure.	0	50	150	200	Employment of resource allocation system
Local Authority Residential Care Service	2858	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 875 clients funded in a Residential Care Home for Older People and Physical Disabilities	120	120	120	360	Care Homes Voids - Quicker turnaround of empty beds in Care Homes, increasing availability and not buying care home placements from private sector.
Local Authority Residential Care Service	2858	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As at August 2018 there were 875 clients funded in a Residential Care Home for Older People and Physical Disabilities	180			180	Care Homes - convalescence beds - Additional income received from remaining 12 convalescence beds in Care Homes
Local Authority Domiciliary Care Service	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2017 there were 1,041 clients receiving a Domiciliary Service.	120	50	50	220	Domiciliary Care - introduction of new IT system- 3% efficiency through increased contact capacity to take on additional service users thus reducing reliance on private sector commissioning.
Local Authority Domiciliary Care Service	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2017 there were 1,041 clients receiving a Domiciliary Service.	45			45	Domiciliary Care - introduction of new IT system - 10% reduction in mileage costs due to better rostering planning
Local Authority Domiciliary Care Service	15,527	Domiciliary Care Services, also known as Homecare, provide practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2018 there were 1,098 clients receiving a Domiciliary Service.	26			26	Domiciliary Care - introduction of new IT system - Reduction in stationery/postage costs
Local Authority Day Services	1,014	Day Care Services provide an opportunity for people to take part in activities or learn new skills outside of the home, whilst providing a break for carers. There are four day centres for older people managed by Carmarthenshire County Council: Llys y Bryn and Y Bwthyn in llanelli, and the day centres at Cartref Cynnes and Cwmamman. Demand is low in some areas. Day Care Services are also provided by other providers.	20			20	Reduction in transport related costs to in-house Day Services - New IT system will result in review of routes and more efficient planning)
Financial Investiagtor	-24	Trading Standards enforce around 40 Acts of Parliament and over 1,000 associated regulations, which impact on all aspects of life, from the safety of children's toys, to the honesty of property descriptions when buying a home. It is responsible for ensuring that sales are carried out within the law. Trading Standards list a number of local handypersons and gardeners on the Registered Traders Scheme.	100	100	100	300	Proceeds of Crime Act (POCA) - Utilisation of POCA income to support current service provision

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Council Fund Housing	1,160	The Housing Options and Advice Team receive over 30,000 calls a year for housing related advice. One of the duties of the team is to assist homeless households with rehousing. Interim accommodation is used whilst completing an investigation into our statutory duty to rehouse. B&Bs were historically used to provide temporary accommodation while the investigation was undertaken. However, this was costly and often not the most appropriate type of accommodaton. We now procure/lease properties from the private rented sector which is better vale and allows us to place households in appropriate accommodation. Lease contracts are currently being reviewed so that they are fit for purpose and provide better value for money. There are also identified oppourtunities to increase the income of the section through fees and recharges.	100			100	Realignment of funding for existing posts as a result of utilisation of Homelessness Prevention Grant and reassessment of Housing Revenue Account support
Support Services	2,244	The service provides business support for Social Care. The functions include payment of creditors, management of transport and premises; the assessment and collection of income for residential and non residential services; and general business support	15	10	10	35	Supplies & Services
Support Services	2,244	The service provides business support for Social Care. The functions include payment of creditors, management of transport and premises; the assessment and collection of income for residential and non residential services; and general business support	18	14		32	Staffing
Support Services	2,244	The service provides business support for Social Care. The functions include payment of creditors, management of transport and premises; the assessment and collection of income for residential and non residential services; and general business support	21	21	21	63	Income
Regional Collaboration	195	The Regional Collaboration Unit provides strategic support for the West Wales Care Partnership which is one of seven strategic partnerships across Wales which oversee delivery of the Sustainable Social Services agenda and ensure that statutory requirements of the Social Services and Wellbeing (Wales) Act 2014 are met. The Regional COllaboration Unit coordinates development and delivery of the regional programme. It is hosted by Carmarthenshire County Council.	9	9	9	27	Contribution to West Wales Care Partnership Regional Collaboration Unit
Care management	3,465	Community Resource Team Social Workers responsible for commissioning services for older people and those with physical disabilities - receive referrals, carry out assessments, review care packages	15	0	0	15	Reduce staff travelling budget
Grants to Voluntary Organisations	211	Provision of grants to Voluntary Organisations related to support provided to older people	17	0	0	17	No inflation for voluntary organisations
Total - Communities Excl Leisure			3,161	2,510	2,591	8,262	
Community Services Total			3,361	2,646	2,815	8,822	

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Environment							
Business Support and Performance							
Additional training income	-51	Alcamus is a training records software package	2	0	0	2	Income from neighbouring authorities (Pembrokeshire & Ceredigion CC) for use of Alcamus and managing their operational training database.
Business Support review	1,662	A further review of the departmental business support function will be undertaken during the next 3 years but this is dependant on system developments to enable more efficient processes.	22	45	77	144	2019/20 : Potential reduction of 1 Business Support Assistant post - dependant on system developments to enable more efficient processes. 2020/21 : deletion of Customer Focus officer post - duties to transfer to other posts; potential to delete another BSA post - dependant on system developments. 2021/22 : further realignment of the Business support team - all dependant on system developments to enable more efficient processes.
Total Business Support and Performance division			24	45	77	146	
Highways & Transport							
Highways	7,281	The County Council maintains 3,371 km of highway in Carmarthenshire. It is the second largest length of highway network in Wales. The Authority has a statutory duty to maintain the network to a safe standard to facilitate the safe movement of goods and people. Over fifty five percent of the Gross Expenditure relates to supplies and services.	120	0	0	120	Improving the efficiency across the supply chain from supplies and services, programme management and works delivery.
Highways	as above	-----"	0	70	70	140	Reduce mechanical plant hire
Highways	as above	-----"	80	0	0	80	Commuted sums
Civil Design	-488	The Engineering Design Unit is responsible for the design and delivery of infrastructure Projects. Projects are diverse and range from small traffic management and passenger transport schemes through to new road constructions projects such as the Cross Hands Link Road. Engineering Design provides Engineering advice corporately across all departments of the Authority. It also manages the 'Gateway' function for Regional frameworks for both Engineering Design and Engineering Contractors Frameworks.	80	0	0	80	We currently do not have capacity within the team to deliver all work , we are therefore having to pay externally for this work. We intend to employ a Structural Engineer and CAD technicians to improve capacity to generate income.
Service reconfiguration	divisional budget		0	0	100	100	Reconfiguration of services within the division
Public Rights of Way	292	The Countryside Access Team has responsibility for the Definitive Map and Statement of Public Rights of Way in Carmarthenshire which is the conclusive legal record. Public Rights of Way include footpaths, bridleways, restricted byways and byways open to all traffic. There are urban and semi-urban routes in towns and villages but much of the 1,500 mile network is out in the countryside crossing fields, farmland and open country. It's a fantastic leisure and recreational resource for the people of Carmarthenshire and visitors to the County with the Wales Coast Path and numerous other walking/riding and cycling routes on offer.Enforcement and legal issues associated with the implementation of the Rights of way Improvement plan.	8	2	10	20	2019/20 : PROW Increased Income from Path Orders (Increase in number of Orders Processed). 2020/21 & 2021/22 : PROW Enforcement + Furniture Maintenance
Total Highways & Transport division			288	72	180	540	
Planning							
Development Management	211	<ul style="list-style-type: none"> The Development Management Unit manages the statutory planning application process (including pre application and also discharge of conditions and variation of conditions post approval). The Unit deals with between 1700 and 1900 applications on average each year (roughly 150 cases per annum per Officer). The unit is also responsible for planning enforcement matters including enforcement of planning conditions and unauthorised development and built conservation matters, dealing with roughly 500 cases per annum. 	12.5	20	10	42.5	2019/20 - £10k : additional predicted income from new statutory Pre-application service; £2.5k : reduction in meeting costs. 2020/21 - £10k : additional predicted income from new statutory Pre-application service. 2020/21 - £20k : additional predicted income from new statutory Pre-application service. 2019/20 start charging for discretionary pre application advice. Schedule being worked up to take through Council by December 2018. On average in last 2 years we have dealt with 250 of these but have not charged. The fee will vary depending on the advice being sought, type of proposal etc.
Minerals & Waste	134	<ul style="list-style-type: none"> The Team ensure that the significant aggregate resources and waste within Carmarthenshire are provided and managed in a sustainable way. This involves dealing with applications for waste and mineral workings/sites, dealing with enforcement matters relating to such sites and also required monitoring regarding the operation of such sites. The Team also undertake the above functions in whole or in part for another 7 Local Authorities in South and West Wales. 	10	10	0	20	Increase in income through various Service Level Agreements coupled with some savings to be made through reconfiguration of the Team which is aimed at improving the resilience of the Team going forward.
Forward Planning	548	<ul style="list-style-type: none"> Division responsible for producing and assisting with implementation, including on-going monitoring of plan delivery and on-going revision of evidence base, of all development plans which cover or part cover Carmarthenshire. These plans include: <ul style="list-style-type: none"> Spatial plans – the potential for plans to span more than one (or part of) County in future years the Local Development Plan which was adopted for Carmarthenshire in 2014 and Development Briefs for specific sites and areas - a number of which have now been produced for the County. Also involved in assisting with development and or disposal of Council owned land/property in relation to advising on potential uses and providing consultancy role regarding preparation of planning applications on behalf of the Council. 	3.5	3.5	0	7	General savings identified within the Forward Planning budget which are not related to the production of the LDP.
Rural Conservation	377	Conservation of the natural environment.	2	0	0	2	2019/20 - reduction in travel costs.
Planning Admin.	325	<ul style="list-style-type: none"> Budget covers Head of Service functions along with business and administrative support to all functions within the Planning Division including: Development Management & Built Heritage (incl. Enforcement); Building Control, Rural Conservation, Waste and Minerals, Forward Planning (Development Plans) . Functions include general research and policy work, publishing and printing, business planning, budget planning, orders and payments, monitoring, health and safety, IT systems and licenses, general procurement. 	9.3	0	0	9	£5.3k : Reduction in translation and postage budgets; £2k : Use QGIS by 2019/20, can reduce mapinfo license annual fee for 10 users; £2k : revised contract with scanner/printer company.
Planning Admin.	See above	-----"	4	0	0	4	Increase street Name and Numbering fees which hasn't been done for a number of years
Building Control	148	<ul style="list-style-type: none"> The Building Control Unit has overall responsibility for the management and administration of building control compliance in accordance with statutory requirements. 	5	0	0	5	2019/20 Start charging for demolition notices. Other LAs charge between £200 and £400 for these, no extra work as do this work already but for free. Checking number per annum. Had 11 last year but we know there are far more that shold be getting permission - by checking weekly list more business could be picked up
Total Planning division			46	34	10	90	

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Property							
Admin Buildings	2,381	Energy, rates, telephone and cleaning costs for Administrative Office buildings including St David's Park	97	68	35	200	Savings on the running costs of the Council's office accommodation following vacation and subsequent sale or rental.
Cleaning	297	Cleaning budgets ie. labour, plant, materials and sub-contractor costs associated with the undertaking of cleaning related works on behalf of the Authority and other organisations, including Mid & West Wales Fire Service.	0	0	20	20	Efficiencies following revised cleaning contract arrangements
Industrial Premises	-914	Rental income and costs of managing the Council's 400 industrial units, which provide business accommodation supporting 2,000 jobs in the County	10	20	20	50	Above-inflation increase in income target
Carbon Reduction Programme	277	Payments under the Government's Carbon Reduction Commitment	35	0	0	35	Reduction in CRC payments
Total Property division			142	88	75	305	
Waste & Environmental Services							
Waste Treatment and Disposal	7,809	Targeted campaigns to reduce waste and increase the awareness and use of all recycling schemes/initiatives. It is anticipated that this will result in the diversion of waste from the residual waste stream to the recycling waste stream, thereby realising savings due to the differential in the treatment costs as set out.	0	100	0	100	2020/21 : By undertaking waste minimisation activities realising an overall reduction in Residual Waste by 500t saving = £53k Further diversion of food waste @ 500t - gate fee saving = £24k Further diversion into Blue Bag Recycling @ 350t - saving = £11k Further diversion to Green/Garden Waste @ 175t - saving = £12k
Closed landfill Sites	230	We currently manage the ongoing aftercare at two former refuse landfill sites - Nantycaws (Phase 1) in Carmarthen and Wern Ddu in Ammanford. This includes dealing with leachate from the landfill sites and ensuring the adequacy and functionality of the infrastructure, including drainage systems.	0	0	5	5	Reduction in annual expenditure due to a regular maintenance programme.
Grounds - Plant rationalisation	1,316	The Grounds Maintenance Section incorporates the direct responsibility of managing and maintaining parks and playgrounds, inland water areas and a large number of public open spaces within Carmarthenshire. It also maintains grounds for many other departments of the County Council such as Social Care and Housing, Cultural Services, Education and many individual schools. The Section also has numerous external clients such as Town and Community Councils and private sports clubs.	15	10	0	25	Review of Fleet Replacement Programme - due to the success of the Community Asset Transfer programme and resulting rationalisation of plant, some items of plant due for renewal within the Fleet Renewal Programme can be disposed of instead of replaced.
Grounds - income generation	as above	-----"	0	0	50	50	Following the proposed review of the Grounds maintenance service, with a view to developing a more commercially-focused service, there is potential to increase income into the Authority for additional works undertaken.
Asset Transfers - Parks	as above	Transfer of Parks, Playgrounds and Amenity areas to Town Councils, Community Councils or Sports organisations.	179	0		179	Reduction in maintenance costs following the transfer of assets to Town/Community Councils or sports organisations.
Waste Operational - vehicle cleaning	2,615	The refuse collection vehicles are required to change their rounds weekly from a black bag route to a blue bag recycling route. It is therefore necessary to cleanse the refuse vehicles after they return to the depot on a Friday afternoon to ensure the cleanliness of the vehicles for Monday morning. Any contamination from the black bag collection will affect the quality of recycling, thus impacting on our recycling targets.	70	0	0	70	A vehicle washing service is created within the council's Waste Services Department by the employment of two additional part-time members of staff and therefore terminate the external contract.
Waste Operational - collection rounds	as above	Following the assessment of resources within the Waste Operational Team the new levels of resource requirements has been identified. Following this an assessment of current usage of agency staffing for leave, sickness and absence cover has been undertaken.	83	83	0	166	Adjustments to resources (agency) as a result of amendments to existing collection rounds.
Waste Operational - Plant	as above	Following the assessment of resources within the Waste Operational Team the new levels of resource requirements has been identified.	99	0		99	Adjustments to fleet requirements resources as a result of amendments to existing collection rounds.
Bring site - operational	301	Bring sites are located across the County to provide recycling facilities within communities.. They currently cater for glass, paper and cans in the main.	35	0	0	35	By rationalising bin types and converting all sites to glass only (with the exception of textiles and small electrical items at some sites) we can make collection rounds more efficient.
Bring sites - glass collection	as above	-----"	15	0	0	15	Increased income through renegotiated contract.
Public Conveniences	546	Operation and maintenance of Public Conveniences	0	0	300	300	Review of general expenditure budgets and a reduction in the anticipated costs of the public convenience maintenance contract (Danfo facilities) - the anticipated reduction will be due to the capital upgrade cost contained within the original contract no longer being applicable.
Total Waste & Environmental Services division			496	193	355	1,044	
Environment Total			996	432	697	2,125	

Department	18-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Education & Children							
Catering Services - primary school breakfasts	857	The Catering Service delivers the Welsh Government's free primary breakfast initiative to all those primary schools in Carmarthenshire that request it (currently 96). Savings have been delivered in the last 2 financial years by remodelling the staffing level.	50	50		100	Review Breakfast club provision to distinguish between catering and care element of the service, with the consideration of a parental charge towards care element (20 pupils paying £1 per day in 30 schools would be £114k per annum).
Education & Children Total			50	50	0	100	

Schools Delegated Budget

Delegated school budget	107,446	<ul style="list-style-type: none"> This is the budget delegated to every school under the Fair Funding formula. The budget is to meet all the costs associated with running a school e.g. staff costs, premises costs, SEN specialist support, Service Level Agreements for specific services such as HR, IT, legal, grounds maintenance, music. 	2,145	2,593	2,452	7,190	<ul style="list-style-type: none"> The proposal has been revised to fully pass on the additional Revenue Support Grant to schools, an addition of £497,000 Schools will need to meet inflationary pressures To manage this level of reduction, there will be an impact on staffing as a high % of a school's budget is used to employ staff. Schools have been encouraged to work in partnership and collaborate with other schools in matters of resourcing and employment, however the scale of the budget reduction will result in some redundancies. Reduced provision could impact on the high standards achieved by Carmarthenshire's learners and the support provided for vulnerable/disabled pupils.
Schools Delegated Budget Total			2,145	2,593	2,452	7,190	

Community Services

Y Gat	51	Y Gât (formerly known as St. Clears Craft Centre) is an arts facility that also hosts the local library and a franchise catering operator. The facility has an open gallery / shop area along with conference rooms facilities and studio spaces for local artists to hire.	14	14	14	42	Business review of Y Gat (St. Clears)
Local Authority Day Services	1,014	Day Care Services provide an opportunity for people to take part in activities or learn new skills outside of the home, whilst providing a break for carers. There are four day centres for older people managed by Carmarthenshire County Council: Llys y Bryn and Y Bwthyn in Ilanelli, and the day centres at Cartref Cynnes and Cwmamman. Demand is low in some areas. Day Care Services are also provided by other providers.	60			60	Redevelopment and expansion of Llys y Bryn (continuation of relocating day service provision to Y Bwthyn / Coleshill)
Community Services Total			74	14	14	102	

Environment**Highways & Transport**

Parking Services	-1,441	The County Council provides off street car parking facilities in towns and villages to support the expeditious movement of traffic to enable town centres to function. Parking supports these wider transport policy objectives and enables the authority to maintain highway and public transport services. There are 57 car parks across the county.	100	100	100	300	Increase charges to allow investment in new parking technology and payment systems and to support investment in transportation and highway related services.
School Crossing Patrols	147	Manage and maintain an efficient, effective and safe school crossing patrol service.	38	0	0	38	The Council currently provides School Crossing Patrols both where the National Safety Criteria requires them, plus at other locations where the criteria do not indicate a Patrol is required (around 50%). The proposal is to retain Patrols where they are required but phase out patrols where there is no requirement according to the criteria.
Road Safety	176	The Road Safety unit is responsible for delivery of road safety initiatives to meet road casualty reduction targets. The unit has responsibility for road safety education, training and publicity, the School crossing patrol service, national driver improvement schemes and road safety outside schools.	0	120	0	120	Road safety innovation
Highways	7,281	The County Council maintains 3,371 km of highway in Carmarthenshire. It is the second largest length of highway network in Wales. The Authority has a statutory duty to maintain the network to a safe standard to facilitate the safe movement of goods and people.	25	0		25	Reduction in frequency of verge mowing
School transport policy review	8,078	The County Council provides school and college transport for 8,258 pupils/students who are eligible for assistance. Circa 3.07 million passenger journeys per annum are undertaken on the school/college network of services. Elements of the service are provided on a non statutory basis - many authorities have chosen to restrict free school/college transport provision to the statutory requirements.	0	65	455	520	This will mean charging or removal of transport for post 16 education. The saving has been put back one year to allow the authority to meet the statutory obligations in terms of changes. If Executive Board support, then we will need to have consulted and have the revised policy in place by 1st October in the preceding year to effect the change. i.e. 1st October 19 to effect the change in 2020. If Members are not of a mind to approve removal or full charging, they may wish to consider introducing a charge of £200 (payment twice per 2*£100 or just over £1 per day for the bus pass as this is likely to reduce the numbers whereby some use the bus pass as an insurance policy in case the car breaks down. Efficiency level would reduce to circa 200k in 2021-22 and zero in 2020-21.
Total Highways & Transport division			163	285	555	1,003	

Waste & Environmental Services

Cleansing	1,752	The County Council maintain over 3,500km of roads throughout the County. The Cleansing Service provides for the sweeping and de-littering of streets and footways. The service includes mechanical sweeping of highways, footways and pedestrianised town centre areas, hand litter picking and emptying bins, chewing gum removal, graffiti and illegal poster removal, clearing up illegal dumping of rubbish and dog mess. On average the County Council removes around 40 tonnes of litter every week, the equivalent of 5 elephants.	0	164	0	164	Review and re-configure the routine scheduled mechanical sweeping of residential areas with a view to undertaking sweeping/cleansing work on a reactive basis in the future, potentially adopting a zoned approach. In order to achieve the saving identified, the number of mechanical sweepers will need to be reduced, together with the number of drivers through voluntary severance.
Clinical Waste Collections	221	The collection of hygiene waste is currently undertaken by a third party contractor. The contract comes to an end in November 2019. Hygiene waste includes the following types of waste: Items used to dispose of urine, faeces and other bodily secretions or excretions including: Disposable bed pans Bed pan liners Incontinence pads Stoma bags Urine containers This type of waste can be placed in black bags.	10	20	0	30	The current contract has provision within it to re-negotiate the contractual terms at the end of Nov 2018. It is predicted that a reduction in costs will be achieved through this process.
Trade Waste	129	The collection of trade waste from commercial premises.	129	0	0	129	The current service is running at a loss. If the collection service is transferred to CWM i.e. the client list onl. The existing plant can be sold/offhired and operatives will be placed within vacancies within the department. This loss would then be negated and CWM could provide the service at more attractive commercial rates in line with their wider business model.
Grounds at Llanelli Town Hall	included in Grounds budgets	The Maintenance of the grounds surrounding the Town Hall	10	0	0	10	We propose to review the supply and planting of Spring Bedding, leaving the bed fallow. Non planting of spring bedding will result in colourful flower displays through the summer months only.
Total Waste & Environmental Services division			149	184	0	333	
Environment Total			312	469	555	1,336	

Department	2018-19 Budget	FACT FILE	'2019-20 Proposed	'2020-21 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Chief Executives							
Democratic Services		The cost of running the democratic services unit - includes administrative support, County Councillor allowances and travel expenses		7		7	Proposal to change full County Council meetings from Monthly to Quarterly - the saving will be achieved through the reduction in County Councillor travelling expenses incurred
Chief Executives Total			0	7	0	7	

Education & Children

Education Support Services to Schools	1,141	The service provides support to all our schools to improve leadership, provision and therefore raised educational standards and achievement. The service is delivered through collaboration between the Carmarthenshire Team of Challenge Advisers and the regional consortium Associate Advisory staff (supporting 6 neighbouring LAs) and our schools.	55			55	Currently Carmarthenshire contributes the sum of £55k following delegation of the grant from WG to the regional consortium and then on to the Council. Implementation of this proposal would reduce the funding retained by the regional consortium, increasing the funding available to the council. The reduction represents 5% of the budget available to the service.
School Improvement	1,141	The Council is obliged to employ a notional number of officers to provide a School Improvement Service to meet the needs of our schools. With a reduced number of schools it is possible to review this notional figure.	20	50		70	Not replacing an Advisory Team member following recent retirement. Senior Council officers are currently reviewing a range options in an attempt to mitigate any reduction in service provision and therefore ensure ongoing high quality support to our schools.
Curriculum and Wellbeing- Learning Transformation	1,141	A small service to support schools with partnership working, curriculum development and 14-19 learning networks. Areas of activity include helping secondary schools to prepare for the new national curriculum and promoting pupils' learning pathways into further and higher education and future careers. This develops young peoples' employability. Vulnerable learners are monitored and supported, as are the more able and talented.	20			20	Not replacing 1 Full-time member of staff following an employee leaving the service. Temporary arrangements are in place where duties have been distributed to a range of other team members. These arrangements will be monitored and evaluated. The permanent solution to this area of service delivery is anticipated to deliver a modest saving, whilst also maintaining an acceptable level of service delivery.
Curriculum and Wellbeing- Youth Support Services	772	The Youth Support Service provides a range of statutory and non-statutory functions to meet the needs of Carmarthenshire's children and young people. The service offers support from universal youth support (e.g. Duke of Edinburgh & Youth Clubs) through to specialist interventions in working with children and young people with complex needs. This incorporates School-based Youth Work; Youth Justice and post 16 provision.	100	50		150	This reduction represents 13% of the budget available to the service. There will be an actual reduction in the staffing capacity given to offer support young people/schools, for example in the provision of the Duke of Edinburgh Award; the Costs for the school trip risk assessment software would need to be re-distributed to county schools; withdrawal of funding currently given over to support vulnerable young people (attending a town centre youth project); withdrawal of funding to 3 Welsh Language medium Youth Clubs; withdrawal of funding for specialist provision for Harmful Sexual Behaviour; not recruiting to a vacant post that is core funded. Reducing county youth club provision.
Curriculum and Wellbeing- Athrawon Gwella'r Gymraeg a Dwyieithrydd	286	A team of advisory teachers are employed to support the promotion and development of Welsh in our schools. This helps learners to become confidently bilingual. Newcomers and latecomers to the County are supported as well as those who require additional linguistic support. This team provide key support for the statutory Welsh in Education Strategic Plan	25	25		50	Reduction of 1 advisory teacher available to support schools by not replacing a member of staff who will be retiring. The staffing will be restructured to accommodate this saving. Service provision will need to adjust accordingly.
Primary School Delegated Budget	55,897	<ul style="list-style-type: none"> This is the budget delegated to every school under the Fair Funding formula. The budget is to meet all the costs associated with running a school e.g. staff costs, premises costs, SEN specialist support, Service Level Agreements for specific services such as HR, IT, legal, grounds maintenance, music. 	100	250	250	600	Rationalise primary schools that are disproportionately expensive to operate and unable to sustain educationally effective teaching and learning structures due to low pupil numbers. Through carefully selected decommissioning and strategically driven school federations the primary school estate will be reduced.
Education Otherwise than at School	1,488	This service meets the needs of learners who, due to a wide range of often complex behaviour and engagement issues, cannot access education in mainstream schools. These learners require a bespoke and specialist package of support.	60	50		110	Under this proposal, the council will reconsider recoupment of the true value of provision from schools (ensuring consideration of all elements of cost related activities e.g. officer time within administration / monitoring and progress reviews etc) . Currently, the Council only recoups the allocated basic entitlement funding for pupils in mainstream education and not the true cost of provision.
Children's Services- Welfare Service	393	The EWS (Education welfare Service) works in close partnership with schools, other professionals within the LA, and other statutory and voluntary agencies in order to promote and enforce regular and punctual school attendance of children of compulsory school age.	180			180	Cease provision of service to schools who already manage most aspects of attendance. Staff would transfer into existing vacancies across Children's Services. Balance of budget maintained to ensure LA's statutory responsibilities can be met.
Children's Services- Education and Child Psychology	540	The Educational and Child Psychology Service use the psychology of how people learn, behave, think and feel to help support children and young people to reach their potential. They work mostly in schools but also in preschool settings, at home, in foster homes and in respite care settings.	50	50		100	Reduce number of Education and Child Psychologists and reconsider structure
Children's services- School Counselling Service	303	Access to professional counselling support is available for young people in post-primary schools during difficult and vulnerable periods in their lives. Counselling contributes to tackling barriers to learning which may result from personal trauma, difficult home circumstances, stress, bullying and child abuse.			30	30	Review SLA with external provider at next renewal which may reduce level of service to schools/young people
Education & Children Total			610	475	280	1,365	

Community Services**Leisure & Culture**

Pendine Outdoor Education Centre	160	Pendine Outdoor Education Centre offers residential opportunities for primary schools from Carmarthenshire and beyond to experience Outdoor recreation, catering for up to 120 children at any given time. The service has an excellent reputation with schools and often provides the first opportunity for children to spend time away from their family on a residential basis.		50	50	100	The proposal is to close the Outdoor Education Centre. The service is not statutory and can be provided by alternative private providers, albeit at greater cost. The centre's infrastructure requires investment to meet modern standards.
Libraries	2,421	Carmarthenshire libraries provides a wide variety of books, DVDs, CDs, online services, newspapers and magazines for the residents of Carmarthenshire. The libraries contain over half a million books between 3 regional, 13 branch and mobile libraries, furthermore, all libraries also have public access computers and Wi-Fi.	10	5	5	20	This proposal considers the potential to co-locate branch libraries with other businesses or premises to help reduce running costs and potentially increase visitor numbers.
Parc Howard	52	Parc Howard Museum is located within the listed Mansion house at Parc Howard, Llanelli. The costs of running Parc Howard are shared between Carmarthenshire County Council and Llanelli Town Council.	8			8	This proposal considers revised opening hours for the Museums, reducing overall opening periods, especially during the Winter months when visitor numbers drop off significantly. Feedback is welcomed on revised opening hours (times / days and seasonally) to improve the efficiency of the service.

Kidwelly Industrial Museum	16	Kidwelly Industrial Museum which is managed through a Trust, forms part of the wider Carmarthenshire Museums service. The local authority provides some funding support for the facility, however, the site requires significant investment and development to meet required health and safety standards.		5		5	The proposal is to cease the local authority's support funding for the facility, which is likely to result in the facility closing to the public or only being open on certain days of the year for special events.
			18	60	55	133	

Community Services - Excluding Leisure & Culture

Page 152 LD Day Services	4,249	LD & MH day services currently provide support for approximately 300 individuals across the county utilising 9 different sites. The services provide opportunities for individuals to receive therapy, maintain their health and wellbeing, gain skills, socialise whilst also providing respite for carers. The review of day services has highlighted the need to develop community options and specialist services which will see a decline in the use of building based services. This will provide opportunities for us to develop intergenerational services in partnership with adult services within Coleshill and Manor rd and vacate the premises at Crosshands.	120				120	Cease provision of one LD Day Services which used to provide catering training - no service users affected
	447	Provision of grants to voluntary organisations relating to support for people with learning disabilities and mental health	50				50	More strategic approach and collaboration between third sector providers
	4,249	LD & MH day services currently provide support for approximately 300 individuals across the county utilising 9 different sites. The services provide opportunities for individuals to receive therapy, maintain their health and wellbeing, gain skills, socialise whilst also providing respite for carers. The review of day services has highlighted the need to develop community options and specialist services which will see a decline in the use of building based services. This will provide opportunities for us to develop intergenerational services in partnership with adult services within Coleshill and Manor rd and vacate the premises at Crosshands.	0	50	50		100	Improve building usage in day centre provision to reduce by one building, saving building operating costs
			170	50	50		270	

Community Services Total

188 110 105 403

Environment
Highways & Transport

Highways - Grounds Maintenance	Highways Budget: 8,871	The Grounds Maintenance Unit undertake maintenance of the flower beds in Carmarthen town centre. These areas will consist of beds and planters with both spring and summer bedding plants provided annually. Maintenance will also include weeding of the beds and planters.	38	0	0		38	Review maintenance of Flower Beds and Shrubbery in town centres. The proposal is to cease town centre planting or transfer to town councils as we are aware that some town councils have expressed an interest in undertaking this work.
Highways - Eastgate Roundabout Planting	as above	Grounds Maintenance Unit undertake maintenance of the roundabout at Eastgate in Llanelli. The roundabout will be planted with both spring and summer bedding plants annually. Maintenance will also include weeding of the flower beds	0	19	0		19	To cease planting on Eastgate roundabout but will engage with TC and BID to explore option of transfer.
Highways - Amenity Grass Cutting	as above	Amenity grass cutting is undertaken on urban 30/40 mph speed roads inside towns and villages and is not undertaken on rural class roads or high speed roads. This type of cutting regime which utilises sit on or push along mowers results in a finer cut compared to the rural verge mowing operation which uses tractor mounted flail mowers. Unlike the verge mowing operation which is undertaken for safety purposes once per year, amenity grass cutting is undertaken 4 No. times throughout the summer season.	0	49	0		49	To cease Amenity Grass Cutting around town centres or transfer to town councils as we are aware that some town councils have expressed an interest in undertaking this work.
Highways - Winter Gritting	as above	Carmarthenshire has an area of 934 square miles and its road network comprises Motorway, Trunk, County, Principal, Non Principal and Unclassified Roads. This network is primarily rural in character, but there is a significant urban element as well. The total length of the highway network is some 3,649km. The total pre-salt gritting run treats around 1040km of carriageway, which is approx. 30% of the entire County/Trunk Network.	32	0	0		32	Review all winter maintenance routes to rationalise the number of routes that are subject to treatment.
Highways - Rural Road Sweeping	as above	Sweeping of rural roads is undertaken on a demand / ad-hoc basis and is generally concentrated on rural class 3 and 4 roads. There are no regular programmes or prioritised zones associated with highway sweeping. Sweeping demands will generally be identified following routine highway safety inspections carried out by our Highway Inspectors or following complaints / requests from the public or police. The operation primarily concerns removal of earth, mud, stones, leaves and other organic type matter from the road surface. We do not undertake sweeping of any litter.	282	0	0		282	Cease scheduled mechanical sweeping on rural roads. The proposal is that Highways will not continue to undertake ad hoc sweeping and will respond on a reactive basis to emergencies by hiring if there is a safety issue. Highways will also procure brush attachments to support the patch planing operation.
Highways	as above	Surface dressing is a highway maintenance treatment used extensively by all highway authorities in Wales, UK and indeed many other countries around the world. Surface Dressing treatments have been used extensively across Carmarthenshire for a number of years with great success. Surface dressing is the prescribed treatment for prolonging the life of the carriageway surface and sub-structure. The authority carries out a large programme of surface dressing works each year. The maintenance procedure which involves the application of a bitumen binder sprayed onto the carriageway surface followed by a dressing of stone seals the carriageway and restores skid resistance. This operation prevents the ingress of water into the surface and sub-structure of the carriageway and prevents degradation and formation of potholes thereby substantially prolonging the life of the carriageway. The treatment also improves the safety of road users by increasing the skid resistance properties of the road surface which assists in reducing wet skidding accidents. Many roads across the whole of Carmarthenshire have benefitted from this treatment over the past 50 years. Carmarthenshire County Council has a large network of roads to maintain and surface dressing provides a cost effective solution for keeping the roads in a safe and serviceable condition ensuring continuity for public and business travel alike.	0	0	150		150	The proposal is to reduce the number of schemes delivered by the surface dressing programme. The annual surface dressing programme totals approx. £1,300k.
Total Highways & Transport division			352	68	150		570	

Waste & Environmental Services

Household Waste recycling centres	included in total waste services budget	There are currently four HWRCs located across the County that serve all communities. The HWRCs are open 7 days a week. The waste recycled at the sites account for a significant proportion of Carmarthenshire's overall recycling performance.	0	0	25	25	Review the operating parameters for all sites to provide a less costly service.
Household Waste recycling centres	as above	There are currently four HWRCs located across the County that serve all communities. The HWRCs are open 7 days a week. The waste recycled at the sites account for a significant proportion of Carmarthenshire's overall recycling performance.	70	0	70	140	HWRC-review future provision in the north of the County
Bring sites	301	There are over 150 bring sites located in communities across the County for the disposal of mainly glass (although provision for paper and cans are currently also offered).	0	0	66	66	A review of all bring site provision is proposed with the aim of rationalising and standardising collections, thereby making the collection rounds more efficient. Glass currently accounts for about 6%age points in overall recycling performance. The review would take into account levels of usage and any other difficulties with the sites. A reduction of between 30 and 40% is predicted reducing performance by up to 2% points
Total Waste & Environmental Services division			70	0	161	231	
Environment Total			422	68	311	801	

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Carmarthenshire County Council

Assessing Impact

The Equality Act 2010

The Equality Act 2010 (the Act) brings together and replaces the previous anti-discrimination laws with a single Act. It simplifies and strengthens the law, removes inconsistencies and makes it easier for people to understand and comply with it. The majority of the Act came into force on 1 October 2010.

The Act includes a new public sector equality duty (the 'general duty'), replacing the separate duties on race, disability and gender equality. This came into force on 5 April 2011.

What is the general duty?

The aim of the general duty is to ensure that public authorities and those carrying out a public function consider how they can positively contribute to a fairer society through advancing equality and good relations in their day-to-day activities. The duty ensures that equality considerations are built into the design of policies and the delivery of services and that they are kept under review. This will achieve better outcomes for all.

The duties are legal obligations. Failure to meet the duties may result in authorities being exposed to legal challenge.

Under equality legislation, public authorities have legal duties to pay 'due regard' to the need to eliminate discrimination and promote equality with regard to race, disability and gender, including gender reassignment, as well as to promote good race relations. The Equality Act 2010 introduces a new public sector duty which extends this coverage to age, sexual orientation, pregnancy and maternity, and religion or belief. The law requires that this duty to pay 'due regard' be demonstrated in the decision making process. It is also important to note that public authorities subject to the equality duties are also likely to be subject to the obligations under the Human Rights Act and it is therefore wise also to consider the potential impact that decisions could have on human rights as part of the same process.

Carmarthenshire's approach to Equality Impact

Equality Impact Assessment Template November 2013

In order to ensure that the council is considering the potential equality impact of its proposed policies and practices, and in order to evidence that we have done so, every proposal will be required to be supported by the attached Equality Impact Assessment. Where this assessment identifies a significant impact then more detail may be required.

Reporting on assessments

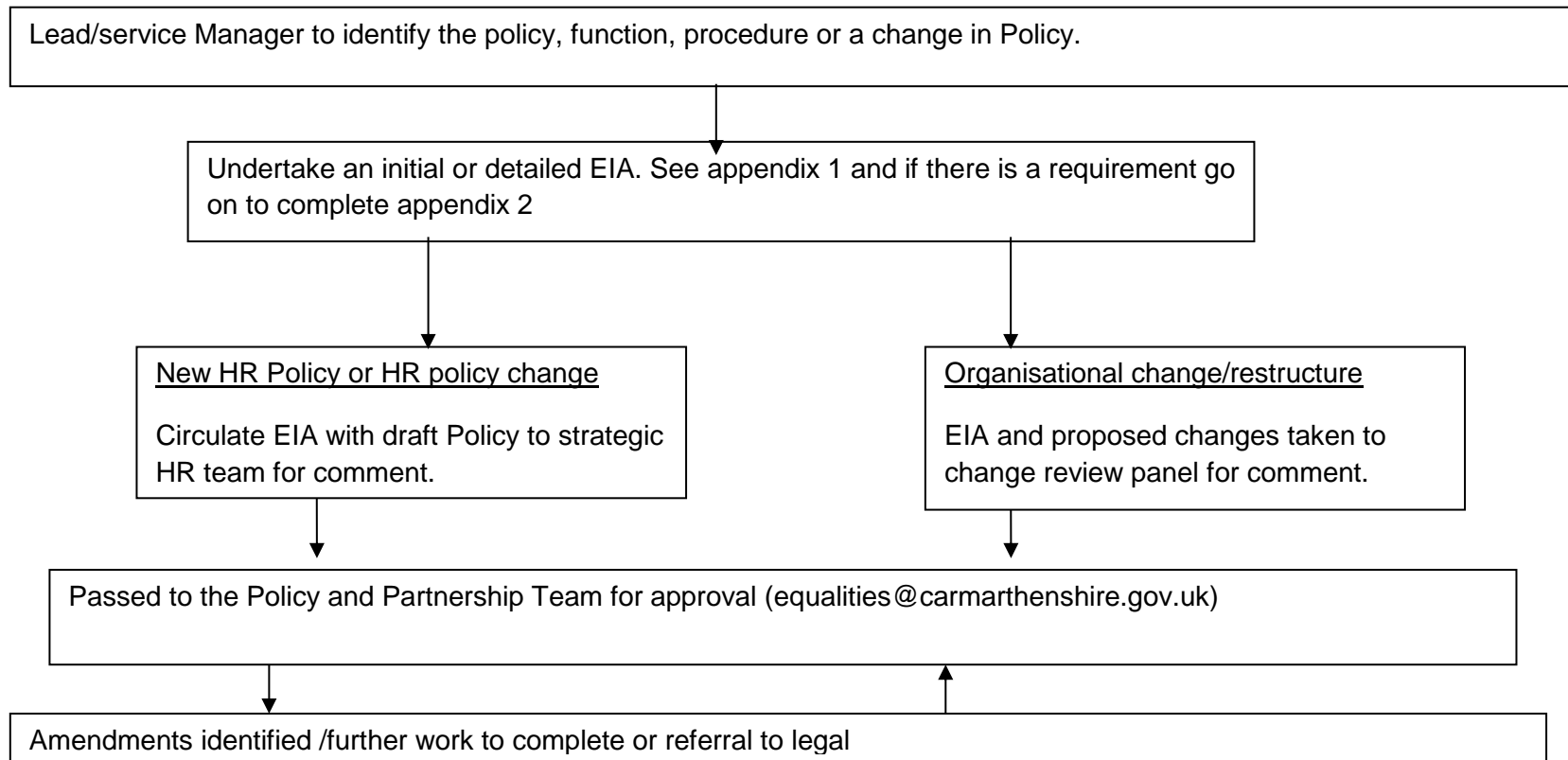
Where it is clear from the assessment that the likely impact on the authority's ability to meet the general duty is substantial, then it must publish a report.

Initial and Detailed Equality Impact Assessments

The initial EIA (appendix 1) is a simple and quick method of assessing the effect of a policy, function, procedure, decision including financial cuts on one or more of the protected characteristics.

The Service Manager responsible for the relevant new or revised policies, functions, procedures and financial decisions must undertake, at least, an initial EIA and where relevant a detailed Equality Impact Assessment (appendix 2); EIA must be attached as background paper with reports to Executive and Scrutiny .

Equality impact assessment – Process to follow where HR implications have been identified



Initial Equalities Impact Assessment Template

Department: Education & Children	Completed by (lead): Andi Morgan	Date of initial assessment: 15 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, National Model for School Improvement ERW Contribution	
Is this existing or new function/policy, procedure, practice or decision?	New Policy decision	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> ECS Director and Senior LA Officers have analysed WG / Regional Grant Funding Regulations to ensure compliance 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	<ul style="list-style-type: none"> 2019-20 £55k <p>The value of LA contributions to be secured from Welsh Government grant by ERW prior to delegating to schools/LAs</p>			
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?		4. If there is a disproportionately negative impact what mitigating factors have you considered?
		Risks	Positive effects	
Age	N			

Disability	N			
Gender reassignment	N			
Race	N			
Religion/Belief	N			
Pregnancy and maternity	N			
Sexual Orientation	N			
Sex	N			
Welsh language	N			
Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A
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7. Procurement
Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. None
Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.

8. Human resources
Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

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Name		
9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)		
	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Approved by: Head of Service	Andi Morgan	17.11.18

Initial Equalities Impact Assessment Template

Department: Education & Children	Completed by (lead): Andi Morgan	Date of initial assessment: 15 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, National Model for School Improvement ERW Staffing	
Is this existing or new function/policy, procedure, practice or decision?	New Policy decision	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> ECS Director and Senior Officers have given due regard and consideration to WG and Regional guidance for school improvement including 'Education in Wales: Our National Mission' (WG, 26.9.17) 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	<ul style="list-style-type: none"> 2019-20 £20k <p>We are obliged to employ a notional number of officers to provide a School Improvement Service to meet the needs of our schools. With a reduced number of schools it is possible to review this notional figure, not replacing 1 FTE following retirement.</p>			
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?		4. If there is a disproportionately negative impact what mitigating factors have you considered?
		Risks	Positive effects	
Age	N			

Disability	N			
Gender reassignment	N			
Race	N			
Religion/Belief	N			
Pregnancy and maternity	N			
Sexual Orientation	N			
Sex	N			
Welsh language	N			
Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A	
7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. None Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.	
8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?	

Implementation of this proposed policy would impact upon our current level of advisory support for schools. We are attempting to realign some key, specific areas of activity such as the statutory element of 'SACRE' (Standing Advisory Council for Religious Education) however, we have limited staff resources to achieve this. In addition, the implementation of the revised curriculum (following the Donaldson Review) would benefit from our ability to continue to recruit, albeit to a potentially broader agenda across our school support provision.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:
Head of Service

Andi Morgan

17.11.18

Initial Equalities Impact Assessment Template

Department: Education & Children	Completed by (lead): Aeron Rees	Date of initial assessment: 16 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Learning Transformation	
Is this existing or new function/policy, procedure, practice or decision?	New Policy decision	
What evidence has been used to inform the assessment and policy? (please list only)		
Consultative discussions with and between: Director of Education and Children's Services; Head of Curriculum and Wellbeing; DMT;		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	2019/20 £20k Not replacing 1 FTE following staff turnover (give up core funding element of staff costs), with partial backfill of key duties.		
The Public Sector Equality Duty requires the Council to have "due regard" to the need to:-	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
Protected characteristics	Age	N			
	Disability	N			
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			
	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	N			
	Any other area	N			

<p>5 165</p> <p>Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input type="checkbox"/> NO <input checked="" type="checkbox"/></p>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?

Discuss with staff and managers how to alter or adapt working arrangements.

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. No

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

There are implications for present employees. If required, established HR processes are available for re-deployment, etc.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:

Head of Service

Aeron Rees

Date:

Initial Equalities Impact Assessment Template

Department: Education & Children	Completed by (lead): Aeron Rees	Date of initial assessment: 16 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Youth Support Service (YSS)	
Is this existing or new function/policy, procedure, practice or decision?	New Policy decision	
What evidence has been used to inform the assessment and policy? (please list only)		
Consultative discussions with and between: Director of Education and Children's Services; Head of Curriculum and Wellbeing; DMT; Principal Manager, Youth Support Service; YSS Finance Officer		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	2019-20 £100k 2020-21 £50k Reduce provision available to young people/schools e.g. Duke of Edinburgh support, Youth Clubs.		
The Public Sector Equality Duty requires the Council to have "due regard" to the need to:-	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
<p>Protected characteristics</p>	<p>Age</p>	<p>L</p>	<p>Young people aged 11-25 accessing youth services may be affected.</p> <p>This proposal makes the service more prone to the vagaries of grant funding and potentially poses a challenge to job security for staff of working age.</p> <p>Any cuts to grant funding in the future will generate some risk across the the 4 pillars of YSS service delivery.</p>	<p>The exercise is ensuring greater efficiency and value for money, drawn carefully from a variety of expenditure items.</p>	<p>It is anticipated that the recent announcement relating to the strengthening of the Youth Support Grant by Welsh Government in 2019/20 will provide funding to mitigate any reduction against core funding and would be used to continue to provide the necessary staffing for youth clubs.</p>
	<p>Disability</p>	<p>N</p>			

Gender reassignment	N			
Race	N			
Religion/Belief	N			
Pregnancy and maternity	N			
Sexual Orientation	N			
Sex	N			
Welsh language	M	The ending of funding for Welsh Language Youth Clubs could have an effect on Welsh language speakers.		It is anticipated that the recent announcement relating to the strengthening of the Youth Support Grant by Welsh Government in 2019/20 will provide funding to mitigate any reduction against core funding and would be used to continue to provide the necessary staffing for Welsh Language youth clubs in the county.
Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?

YES

NO

6. What action(s) will you take to reduce any disproportionately negative impact, if any?

Discuss with staff and managers how to alter or adapt working arrangements in some cases.

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. No

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

There are implications for present employees. If required, established HR processes are available for re-deployment, etc.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:

Head of Service

Aeron Rees

Date:

16/11/18

Initial Equalities Impact Assessment Template

Department: Education & Children	Completed by (lead): Aeron Rees	Date of initial assessment: 16 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Gwella'r Gymraeg	
Is this existing or new function/policy, procedure, practice or decision?	New Policy decision	
What evidence has been used to inform the assessment and policy? (please list only)		
Consultative discussions with and between: Director of Education and Children's Services; Head of Curriculum and Wellbeing; DMT; Welsh Language Development Manager		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	2019/20 £25k 2020-21 £25k Reduce number of Welsh advisory teachers		
The Public Sector Equality Duty requires the Council to have "due regard" to the need to:-	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 172</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Protected characteristics</p>	<p>Age</p> <p>N</p> <p>Disability</p> <p>N</p> <p>Gender reassignment</p> <p>N</p> <p>Race</p> <p>N</p> <p>Religion/Belief</p> <p>N</p> <p>Pregnancy and maternity</p> <p>N</p> <p>Sexual Orientation</p> <p>N</p> <p>Sex</p> <p>N</p> <p>Welsh language</p> <p>H</p>	<p>Reduction of Welsh advisory teachers could affect the teaching of Welsh as a subject and teaching through the medium of Welsh. It could affect provision for</p>	<p>Restructure the service accordingly</p>	

			latecomers to the county		
	Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? Discuss with staff and managers how to alter or adapt working arrangements.

7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. No

8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Approved by: Head of Service	Aeron Rees	Date:
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Initial Equalities Impact Assessment Template

Department: Education & Children	Completed by (lead): Aeron Rees	Date of initial assessment: 16 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Gwella'r Gymraeg	
Is this existing or new function/policy, procedure, practice or decision?	New Policy decision	
What evidence has been used to inform the assessment and policy? (please list only)		
Consultative discussions with and between: Director of Education and Children's Services; Head of Curriculum and Wellbeing; DMT; Welsh Language Development Manager		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	2019/20 £25k 2020-21 £25k Reduce number of Welsh advisory teachers		
The Public Sector Equality Duty requires the Council to have "due regard" to the need to:-	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
<p>Protected characteristics</p>	<p>Age</p>	N			
	<p>Disability</p>	N			
	<p>Gender reassignment</p>	N			
	<p>Race</p>	N			
	<p>Religion/Belief</p>	N			
	<p>Pregnancy and maternity</p>	N			
	<p>Sexual Orientation</p>	N			
	<p>Sex</p>	N			
	<p>Welsh language</p>	H	<p>Reduction of Welsh advisory teachers could affect the teaching of Welsh as a subject and teaching through the medium of Welsh. It could affect provision for</p>		<p>Restructure the service accordingly</p>

Page 176			latecomers to the county		
	Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? Discuss with staff and managers how to alter or adapt working arrangements.

7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. No

8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Approved by: Head of Service	Aeron Rees	Date:
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Initial Equalities Impact Assessment Template

Department: Education & Children	Completed by (lead): Andi Morgan	Date of initial assessment: 15 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Educated Otherwise than School	
Is this existing or new function/policy, procedure, practice or decision?	New policy decision	
What evidence has been used to inform the assessment and policy? (please list only)		
Consultative discussions with: Director of Education and Children's Services; DMT; Departmental Colleagues		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	2019-20 £60k 2020-21 £50k Reconsider recoupment from schools cost for EOTAS provision i.e. true value of provision which includes officer support time and associated administrative costs to ensure effective delivery of service		
The Public Sector Equality Duty requires the Council to have "due regard" to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	
		Risks	Positive effects
		4. If there is a disproportionately negative impact what mitigating factors have you considered?	

(see guidance notes)

Protected characteristics	Age	N		
	Disability	N		
	Gender reassignment	N		
	Race	N		
	Religion/Belief	N		
	Pregnancy and maternity	N		
	Sexual Orientation	N		
	Sex	N		
	Welsh language	N		
	Any other area	N		

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A

7. Procurement
Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. NO

8. Human resources
Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?
Implementation of this new policy proposal will enable the LA to process a recoupment mechanism containing all elements of costs related to this provision e.g. administrative costs and LA Officer time as central part of the smooth functioning of this service. The LA's view is that this proposal reflects a more realistic and equitable system to support the funding of this crucial service.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Approved by: Head of Service	Andi Morgan	Date: 17.11.18
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Initial Equalities Impact Assessment

Department: Education & Children	Completed by (lead): Stefan Smith	Date of initial assessment: 16 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Children's Services – Welfare Service	
Is this existing or new function/policy, procedure, practice or decision?	New Policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Review of Education Welfare Service.		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	<ul style="list-style-type: none"> 2019-20 £180k <p>Cease provision of service to schools who already manage most aspects of attendance. Staff would transfer into existing vacancies across Children's Services. Balance of budget maintained to ensure LA's statutory responsibilities can be met.</p>		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?
		Risks There is a risk that the level of school attendance could decline, although this wouldn't affect any one protected characteristic disproportionately.	

Protected characteristics	Age	N			
	Disability	N			
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			
	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	N			
	Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?

7. Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. No.
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Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.

8. Human resources
Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service
Yes; there is a slight risk of redundancy where staff cannot be re-deployed. Current HR procedures will be followed.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Approved by: Head of Service	Stefan Smith	Date: 19/11/18
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Initial Equalities Impact Assessment

Department: Education & Children	Completed by (lead): Stefan Smith	Date of initial assessment: 16 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Children's Services – Education Psychology Service	
Is this existing or new function/policy, procedure, practice or decision?	New Policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Review of Education Welfare Service.		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	<ul style="list-style-type: none"> 2019-20 £50k 2020-21 £50k <p style="text-align: center;">Reduce number of Education and Child Psychologists and reconsider structure.</p>			
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?		4. If there is a disproportionately negative impact what mitigating factors have you considered?
		Risks	Positive effects	
Age	N			

Disability	N			
Gender reassignment	N			
Race	N			
Religion/Belief	N			
Pregnancy and maternity	N			
Sexual Orientation	N			
Sex	N			
Welsh language	N			
Any other area	N			

<p>5. Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input type="checkbox"/> NO <input checked="" type="checkbox"/></p>
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<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p>
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<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. No.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service

Yes; service restructure and any staff reduction would be conducted with full consultation of HR.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:

Head of Service

Stefan Smith

Date:

16/11/18

Initial Equalities Impact Assessment

Department: Education & Children	Completed by (lead): Stefan Smith	Date of initial assessment: 16 th November 2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Department for Education & Children, Children's Services – School Counselling	
Is this existing or new function/policy, procedure, practice or decision?	New Policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Review of Education Welfare Service.		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	<ul style="list-style-type: none"> 2021-22 £30k <p>Review SLA with external provider at next renewal which may reduce level of service to schools/young people.</p>		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	
		Risks There may be a reduction in level of service to schools/young people which could affect some groups/characteristic disproportionately due to the proportion of these	Positive effects
		4. If there is a disproportionately negative impact what mitigating factors have you considered?	

			groups that may require additional support.		
Protected characteristics	Age	N			
	Disability	Y			
	Gender reassignment	Y			
	Race	Y			
	Religion/Belief	N			
	Pregnancy and maternity	Y			
	Sexual Orientation	Y			
	Sex	Y			
	Welsh language	N			
	Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. No.

Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service

Yes; service restructure and any staff reduction would be conducted with full consultation of HR.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:

Head of Service

Stefan Smith

Date:

16/11/18

Initial Equalities Impact Assessment Template

Appendix 1

Department: Outdoor Recreation Service	Completed by (lead): Neil Thomas	Date of initial assessment: 29/11/2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Pendine Outdoor Education Centre	
Is this existing or new function/policy, procedure, practice or decision?	Existing Function	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> ● Review of the provision and annual bookings at Pendine Outdoor Education Centre ● Leisure Senior Management meetings ● The current physical condition of the building and grounds. 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	We are seeking to consult on the impact of the closure of the Pendine Outdoor Education Centre on existing facility staff and users
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>		<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p> <p>The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.</p>
		Risks	Positive effects			
Protected characteristics	Age	High	Existing Centre users (predominately School groups) will have to access private sector outdoor education residential provision outside of Carmarthenshire which is likely to cost more financially and in time for travel. Alternatively, Schools may decide not to access residential outdoor education at all. Alternative provision may also not align or have content relevant to the National Curriculum guidance.	The private sector may be able to provide a higher standard of facility but not necessary a higher standard of instruction.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.	
	Disability	Medium	Existing Centre users (predominately School groups) will have to access private sector	The private sector may be able to provide a higher standard of facility but not	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This	

			<p>outdoor education residential provision outside of Carmarthenshire which is likely to cost more financially and in time for travel.</p> <p>Alternatively, Schools may decide not to access residential outdoor education at all.</p> <p>Alternative provision may also not align or have content relevant to the National Curriculum guidance.</p>	necessary a higher standard of instruction.	EIA will be updated accordingly, and any necessary mitigating actions will be identified.
	Gender reassignment	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Race	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Religion/Belief	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A

Pregnancy and maternity	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Sexual Orientation	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Sex	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Welsh language	High	Pendine Outdoor Education Centre aims to provide a bilingual service to the Schools in Carmarthenshire. There is no guarantee that alternative provision can be provided bilingually.	There will be a need to ensure that service users are able to access services in the language of their choice. This can't be guaranteed.	Current users will have to assess if alternative service provision outside of Pendine Outdoor Education Centre caters for Welsh language provision.
Pre School Education	Low	The Centre currently does not cater for pre-school education	The Centre currently does not cater for pre-school education	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.

Any other area	N/A			
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5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? <ul style="list-style-type: none"> • Provide Schools and user groups lists of alternative provision. • The five fulltime equivalent staff members, if placed at risk, will be placed on the redeployment register and we will make every attempt to redeploy them to other business areas within the County Council if the decision is to close Pendine Outdoor Education Centre.
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7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. N/A
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8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? There will be implications for the nine permanent staff members who will be placed on the redeployment register and we will make every attempt to displace them to other areas within the County Council if the decision is to close Pendine Outdoor Education Centre.
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9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input checked="" type="checkbox"/>	NO
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Approved by: Head of Service	Ian Jones	Date: 29/11/18
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FD 09/11/18

Carmarthenshire County Council

Equality Impact Assessment

Contact Name	Ian Jones	Title	Head of Leisure
Budget title	Branch Library co-location		
Amount £	£2,393k		
Saving £	£10k (19/20); £5k (20/21); £5k (21/22)		
Description	<p>County Library Services has been tasked with finding £20k of savings in the 2019/20 to 2021/22 financial years.</p> <p>A service review has taken place looking at branch library provisions across Carmarthenshire. The review outlines a new direction for the Service against a background of significant cuts to local authority budgets.</p> <p>Library services are continually changing to meet the needs of a developing service, which has led to a need to review the pattern of service delivery. Stronger community participation and widening the appeal are essential for the Service to prosper.</p> <p>In order to meet the £20k efficiency, some service provision will inevitably be affected. These efficiencies will impact on the following areas:</p> <ul style="list-style-type: none"> • Community Branch Library services <p>The review suggests that some community branch libraries could be delivered in an alternative way i.e. by co-location with other community facilities.</p>		
Will this proposal have an adverse impact on any particular groups of people including those who may be disadvantaged by virtue of gender, race, religion / belief, age, disability or sexual orientation? Will it impact disproportionately on those in lower income groups?			
Yes		<p>Public libraries are a powerful resource and important in addressing a number of the priorities set out in the Welsh Government's "Programme for Government", including promoting growth and tackling poverty.</p> <p>Welsh public libraries address poverty by tackling the digital divide, providing access to the internet with trained staff delivering advice and guidance, and helping people develop vital information literacy skills. They are also an important community resource</p>	

		<p>in helping people claim Universal Benefit and enabling them to take advantage of a broad range of statutory and voluntary support available in their local community. These and other aspects of the service are planned, shaped and delivered by skilled and knowledgeable professional library staff.</p> <p>Additionally libraries play an important role in advancing knowledge by providing access to information, supporting entrepreneurial activity, and inspiring life-long learning and reading for enjoyment. They foster social mobility and strengthen our communities, catering, as they do, for the needs of all parts of society from toddlers and their parents, to students (of all ages) and researchers, from local activists to small businesses, and from the frail and elderly and their carers to hobbyists and creators.</p>
<p>If Yes, please briefly describe the nature of the impact. Which groups are likely to be affected and in what way?</p> <ol style="list-style-type: none"> 1. There will be limited impact in terms of what is currently provided, and what may be provided in the future. 2. Welsh Public Library Standards (WPLS) focusses on a more outcome based impact perspective approach, demonstrating the wider contribution and value of public libraries and allowing for greater reconfiguration along more innovative lines within local authorities. 		
Description of impact	Alternative delivery model, rather than reduction in provision.	
<p>Consultation Have you consulted any of these groups or their representative bodies?</p> <p>A Service Review has been completed with recommendations being implemented. Service users have been consulted as part of budget consultation process.</p> <p>If so please give details, what was the outcome?</p> <p>Proposals generally supported.</p>		
Description of consultation	Views and opinions sought from Elected Members, local community organisations and groups and all other interested parties, via the Council's established consultation process.	

Mitigation	
Details of steps to be taken to mitigate any adverse impact	<p>Alternative Methods/Forms of Service Delivery</p> <ul style="list-style-type: none"> • Volunteer run libraries The use of volunteers in libraries has become prominent in the last couple of years. Currently one Community library is operated by volunteers within the county. This could be further explored/extended within Carmarthenshire and where implemented would be supported and managed by professional Library Service, providing professional support, stocks of books and non book materials along with IT support to small community based libraries run by volunteers from within the community. • Community councils In a number of authorities, community councils have contributed towards library provision. Working in partnership, community councils often provide accommodation and staffing, while the county council provide book stock and professional support for these small community based libraries. Pontyberem library goes a long way towards this route with the Community Council funding the building and staffing costs. • Relocation of existing libraries (Proposed) Across the Principality libraries are being relocated within other local authority buildings such as Leisure Centres, Community Centres and Civic Centres all having been used with varying degrees of success. Where practical, shared premises and staffing with other departments / organisations within Carmarthenshire may be able to offer extended library provision. Such a move would bring savings from having shared premises but investment would be needed to fund any such relocations. A good example of shared services can be seen at “Y Gat” St Clears. • Enhanced housebound services The current housebound delivery service provides a tailored service specific to the requirements of the individual members with stock carefully selected by professional staff and delivered to borrowers’ homes by library staff. Many current users in more remote locations could be transferred to the home delivery service, which would work in partnership with the Mobile library service. Adopting this approach may lead to an increase in transport costs and, in line with many other local authorities, consideration should be given to the use of volunteers and the establishment of partnerships with existing providers e.g. social services to deliver the extended service. • Deposit collections The library service already supplies a number of large deposit collections of books to day centres, nursing homes and hospitals, Stock is changed on a regular basis and selected by professional library staff. Providing there are suitable community venues this is a model that

	<p>can be replicated. Costs for this would be met within existing budget providing there was no staffing or building cost to the Service. This option is currently being explored at Kidwelly. (Gwenllian Centre)</p> <ul style="list-style-type: none"> • Mobile library service By streamlining our static branch library service with an adapted mobile library service, this has facilitated ‘community’ stops of between 1 to 3 hours per visit replacing the present traditional ‘silver service’ door to door type mobile stop approach of between 5 and 30 minutes. • Other Provision Libraries are recognised as important community venues which often provide a safe learning environment for children out of school hours and adults wishing to learn new skills. In many communities, the library may provide the only IT facilities in the area, enabling access to the internet. Where possible, consideration should be given to providing access to these services from other alternative premises in the area. Where possible, grant funding bodies should be explored in order to facilitate these changes. (e.g. Trimsaran)
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Context
Is this proposal part of a wider plan which would place it in context? (e.g. closure of an individual facility in the context of a wider investment programme).

These efficiencies come on the back previous efficiencies, and the well documented challenge to all public sector organisations to deliver their services with fewer resources. Almost every division within the authority has had to deliver significant budget efficiencies over the past number of years; however these efficiencies become more challenging to deliver every year.

In order to support a programme of change and develop a service that responds to the wider agenda for efficiencies and service challenges ahead, the service review has had to determine whether to continue to support resources in services that are not fit for purpose and inefficient in terms of hourly costs and performance. The “Alternative Methods/Forms of Service Delivery” should enable resources to be applied where performance and service levels can best deliver as centres of excellence.

Details of context of the proposal	These proposals should be subject to an ongoing equalities impact assessment as part of a consultation process.
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Monitoring
Do you have any plans to monitor the ongoing impact on the affected group(s)?

	Any of these alternatives forms of service delivery would come with a considerable amount of planning and preparation to ensure that the replacement service meets with community needs. Along with this, the need to continually assess performance against delivery will be paramount. (WPLS/CIPFA and Service Review Group)
Other information Is there anything else which ought to be recorded?	
	None

Initial Equalities Impact Assessment Template

Appendix 1

Department Communities / Leisure / Culture	Completed by (lead): Jane Davies	Date of initial assessment: 29/11/2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Reduced opening hours at Parc Howard Museum, Llanelli	
Is this existing or new function/policy, procedure, practice or decision?	Existing Function	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> ● Review of the provision through annual budget monitoring and performance management data at the facility ● Leisure Senior Management meetings ● User numbers income targets. 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	We are seeking to consult on the impact of slightly reducing the opening hours at Parc Howard Museum, on existing facility staff and users
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>		<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p> <p>The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.</p>
				Risks	Positive effects	
Protected characteristics	Age	Medium	Existing users range from young children through to older adults. The facility houses the local collections and plans to re-open the café in the near future when opening hours may be reviewed positively again. Reduced opening hours may offer less opportunity for people to access the Museum collection.	Less running costs at times when the facility is quiet should result in better service at the time it's open with re-alignment of some resources.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.	
	Disability	Medium	The building is accessible for existing users and visitors. Flexibility of visiting times may be affected with slightly less opening times.	Less running costs at times when the facility is quiet should result in better service at the time it's open with re-alignment of some resources.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.	

Page 201	Gender reassignment	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Race	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Religion/Belief	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Pregnancy and maternity	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Sexual Orientation	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Sex	Low	Low risk with limited impact on this	Low risk with limited impact on this protected characteristic group	N/A

			protected characteristic group		
	Welsh language	High	The Museum aims to provide a bilingual service to all of its visitors. There is no guarantee that alternative provision can be provided bilingually.	Less running costs at times when the facility is quiet should result in better service at the time it's open with re-alignment of some resources.	Current users will have to assess if alternative service provision outside of the facility caters for Welsh language provision.
	Pre School Education	Medium	Some of the holiday activities provides for pre-school education. This would have to be picked up by external / private / third sector provision	Potential for new businesses to see this as an opportunity for new provision.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
	Any other area	N/A			

5. Has there been any consultation/engagement with the appropriate protected characteristics?

YES

NO

6. What action(s) will you take to reduce any disproportionately negative impact, if any?

- Provide user groups with list of alternative provision.
- The full-time equivalent staff member, if placed at risk, will be placed on the redeployment register and we will make every attempt to redeploy them to other business areas within the County Council if the decision is to close.

7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. N/A		
8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? There will be limited implications for the small number of permanent staff members who may be placed on the redeployment register and we will make every attempt to redeploy them to other areas within the County Council, or re-negotiate their working hours if the decision is to reduce the opening hours for the facility.		
9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input checked="" type="checkbox"/>	NO
Approved by: Head of Service	Ian Jones	Date: 29/11/18

Initial Equalities Impact Assessment Template

Appendix 1

Department Communities / Leisure / Culture	Completed by (lead): Jane Davies	Date of initial assessment: 29/11/2018 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Kidwelly Industrial Museum	
Is this existing or new function/policy, procedure, practice or decision?	Existing Function	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> ● Review of the provision through annual budget monitoring and performance management data at the facility ● Leisure Senior Management meetings ● User numbers income targets. 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	We are seeking to consult on the impact of reducing CCC support funding to the Kidwelly Industrial Museums Trust who manage this facility, on existing facility staff and users
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p> <p>The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.</p>
			Risks	Positive effects	
Protected characteristics	Age	Medium	Existing visitors range from young children through to older adults, but are mainly older in profile. Reducing funding may result in less access or closure of the facility and an understanding of an important part of the County's industrial heritage	Reduced funding may make the trust stronger and more resilient thus sustaining the future of the Museum.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
	Disability	Medium	The site aims to be fully accessible for users, and reduced support funding may have an impact on the trust's ability to meet this aim.	Reduced funding may make the trust stronger and more resilient thus sustaining the future of the Museum.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
	Gender reassignment	Low	Low risk with limited impact on this	Low risk with limited impact on this protected characteristic group	N/A

		protected characteristic group		
Race	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Religion/Belief	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Pregnancy and maternity	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Sexual Orientation	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Sex	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Welsh language	High	The Museum aims to provide a bilingual	Reduced funding may make the trust stronger	Current users will have to assess if alternative service provision outside

			service to all of its visitors. There is no guarantee that alternative provision can be provided bilingually.	and more resilient thus sustaining the future of the Museum and it's provision of Welsh language services.	of the centre caters for Welsh language provision.
	Pre School Education	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Any other area	N/A			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? <ul style="list-style-type: none"> • Provide user groups with list of alternative provision. • The part-time equivalent staff member, if placed at risk, will be placed on the redeployment register and we will make every attempt to redeploy them to other business areas within the County Council if the decision is to close.
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7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.
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8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

Page 20 of 27

<p>There may be implications for one P/T staff member who will be placed on the redeployment register and we will make every attempt to displace them to other areas within the County Council if the decision is to close the Centre.</p>		
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)</p>	<p>YES <input checked="" type="checkbox"/></p>	<p>NO</p>
<p>Approved by: Head of Service</p>	<p>Ian Jones</p>	<p>Date: 29/11/18</p>

Initial Equalities Impact Assessment Template

Appendix 1

Department: Communities	Completed by (lead): Sharon Frewin	Date of initial assessment: 29 th December 2017 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Closure of catering training provision.	
Is this existing or new function/policy, procedure, practice or decision?	Existing practice.	
What evidence has been used to inform the assessment and policy? (please list only)		
<p>Knowledge of current usage.</p> <p>Discussion with relevant staff.</p> <p>Consideration of financial implications.</p> <p>Consideration of other contracting arrangements.</p>		

Page 209	1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	<p>The Mental Health and Learning Disability division has offered training opportunities for those who face barriers to training and employment in two commercial catering settings within the council. There has been a significant decline in the take up of the catering training with those who require this being supported in commercial ventures in the community.</p> <p>Information on savings proposal:</p> <p>Cease provision of one facility which provides catering training - no service users affected. The proposal is to close the catering training provision which is also a staff canteen.. The service was originally established via the COASTAL project which ended in Dec 2014. Since that time student numbers have dwindled with alternatives within the community being preferred.</p> <p>The proposal would also achieve a financial saving as the service is currently subsidised.</p>
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
			<p>Risks</p>	<p>Positive effects</p>	
<p>Protected characteristics</p>	<p>Age</p>	L			
	<p>Disability</p>	M	Loss of a facility for staff.		Community work experience opportunities can be provided if an alternative is needed.
	<p>Gender reassignment</p>	L			
	<p>Race</p>	L			
	<p>Religion/Belief</p>	L			
	<p>Pregnancy and maternity</p>	L			
	<p>Sexual Orientation</p>	L			
	<p>Sex</p>	L			
	<p>Welsh language</p>	L			
	<p>Any other area</p>	L			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p> <p>Person Centred Reviews have been undertaken to ensure that any activity can be undertaken in a more effective way, eg, cooking skills can be developed in the persons own home and employment / training can be undertaken in supported work experience. The one remaining student has transferred to a work placement at a café in Carmarthen town centre.</p>		
<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, and service. No.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>		
<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? Yes. Members of staff will be supported to find alternative job opportunities via the redeployment policy / process. To date three out of the six staff have already been redeployed within the council.</p>		
9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Approved by: Head of Service		Date:

Initial Equalities Impact Assessment Template

Appendix 1

Department: Communities	Completed by (lead): Avril Bracey	Date of initial assessment: 20 th January 2019 Revision Dates:
Area to be assessed: (i.e. name of <i>policy, function, procedure, practice or a financial decision</i>)	Review of Third Sector Contracts	
Is this existing or new function/policy, procedure, practice or decision?	Existing	
What evidence has been used to inform the assessment and policy? (please list only)		
<p>WAO Report 2017 LA funding of Third Sector Contracts</p> <p>Social Services and Wellbeing (wales) Act 2014</p> <p>Budget information concerning Third Sector Contracts</p> <p>Reporting Information from Third Sector Contracts</p>		

<p>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</p>	<p>The third sector receives grants from CCC to deliver services and support to individuals with a Learning Disability, Mental health and substance misuse issues. The WAO report on LA funding of Third Sector contracts in 2017 concluded that LA's need to be more strategic in their approach to third sector contracts and review such contracts to ensure outcomes align with the LA' strategic priorities to ensure value for money . There are also opportunities for the third sector to collaborate to deliver services such as information, advice and assistance as prescribed in the Social Services and Wellbeing (Wales) Act 2014. Outcomes for individuals with protected characteristics will be improved if collaboration is enabled and the alignment of third sector objectives with the local authority strategic priorities will improve cost effectiveness and impact on the council's budget savings proposals.</p>		
<p>The Public Sector Equality Duty requires the Council to have "due regard" to the need to:-</p>	<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>	<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>

<p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
Protected characteristics	Age	N			
	Disability	L			
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			
	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	N			
	Any other area				

<p>5 Page 213</p> <p>Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input type="checkbox"/> NO <input checked="" type="checkbox"/></p>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? There has been consultation with the Third Sector to explain our intention to review their activity and ensure we are working together to deliver the priorities in the Social Services and Wellbeing (Wales) Act. Opportunities for collaboration between and review of commissioning arrangements with third sector partners is also an important facet of the HDUHB led Transforming Mental health Services

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. NO

Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? NO

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:

Head of Service

Date:

Initial Equalities Impact Assessment Template

Appendix 1

Department: Communities	Completed by (lead): Sharon Frewin	Date of initial assessment: 20 th January 2019 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Improve building usage in day centre provision to reduce by one building, saving building operating costs.	
Is this existing or new function/policy, procedure, practice or decision?		Existing practice.
What evidence has been used to inform the assessment and policy? (please list only)		
Knowledge of current usage. Person Centred reviews Discussion with relevant staff. Consideration of financial implications. Consideration of other contracting arrangements.		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Learning Disabilities & Mental Health day services currently provide support for approximately 300 individuals across the county utilising 8 different sites. The services provide opportunities for individuals to receive therapy, maintain their health and wellbeing, gain skills, socialise whilst also providing respite for carers. The review of day services has highlighted the need to develop community options and specialist services which will see a decline in the use of building based services. This will provide opportunities for us to develop community hubs, social enterprises and activities in existing community venues.
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
<p>Protected characteristics</p>		Age	Risks	Positive effects	
		L			
		M	Loss of a building based facility.	Move from segregated service to community inclusion.	Individuals will access existing community groups, services or develop activities within community venues.
		L			
		L			
		L			
		L			
		L			
		L			

Any other area	L			
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5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?

Person Centred Reviews have been undertaken to understand what activities currently undertaken within building based settings could be undertaken in a community setting. A community mapping activity has also been undertaken in order to identify activities and venues within the community which could be accessed or developed.

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, and service. No.

Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

Yes, the change to community based activities could result in a change to the work base of some staff. The necessary consultation and notice periods will be applied as per policy.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Approved by:		Date:
Head of Service		

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Stephen Pilliner	Date of initial assessment: 14/11/2018 Revision Dates: Ongoing
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £38,000 (by 2021/22) Review maintenance of flower beds and shrubbery in town centres.	
Is this existing or new function/policy, procedure, practice or decision?	New policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	The proposal is to cease town centre planting or transfer to town councils as we are aware that some town councils have expressed an interest in undertaking this work.		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	
		Risks	Positive effects
		4. If there is a disproportionately negative impact what mitigating factors have you considered?	

Protected characteristics	Age	(1) N (2) N (3) N	N/A	N/A	N/A
	Disability	(1) N (2) N (3) N	N/A	N/A	N/A
	Gender reassignment	(1) N (2) N (3) N	N/A	N/A	N/A
	Race	(1) N (2) N (3) N	N/A	N/A	N/A
	Religion/Belief	(1) N (2) N (3) N	N/A	N/A	N/A
	Pregnancy and maternity	(1) N (2) N (3) N	N/A	N/A	N/A
	Sexual Orientation	(1) N (2) N (3) N	N/A	N/A	N/A
	Sex	(1) N (2) N (3) N	N/A	N/A	N/A
	Welsh language	(1) N (2) N (3) N	N/A	N/A	N/A
	Any other area	(1) N (2) N (3) N	N/A	N/A	N/A

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A
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7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal / service. Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice. N/A

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8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:
Head of Service

Stephen Pilliner

Date:
14/11/2018

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Stephen Pilliner	Date of initial assessment: 14/11/2018 Revision Dates: Ongoing
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £19,000 (by 2021/22) Planting at Eastgate roundabout, Llanelli.	
Is this existing or new function/policy, procedure, practice or decision?	New policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	To cease planting on Eastgate roundabout but will engage with the Town Council and BID to explore option of transfer.						
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?				
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Risks</td> <td style="width: 50%;">Positive effects</td> </tr> <tr> <td style="height: 100px;"></td> <td style="height: 100px;"></td> </tr> </table>	Risks	Positive effects			
Risks	Positive effects						

Protected characteristics	Age	(1) N (2) N (3) N	N/A	N/A	N/A
	Disability	(1) N (2) N (3) N	N/A	N/A	N/A
	Gender reassignment	(1) N (2) N (3) N	N/A	N/A	N/A
	Race	(1) N (2) N (3) N	N/A	N/A	N/A
	Religion/Belief	(1) N (2) N (3) N	N/A	N/A	N/A
	Pregnancy and maternity	(1) N (2) N (3) N	N/A	N/A	N/A
	Sexual Orientation	(1) N (2) N (3) N	N/A	N/A	N/A
	Sex	(1) N (2) N (3) N	N/A	N/A	N/A
	Welsh language	(1) N (2) N (3) N	N/A	N/A	N/A
	Any other area	(1) N (2) N (3) N	N/A	N/A	N/A

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
--	---

6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A
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<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal / service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice. N/A</p>
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8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:
Head of Service

Stephen Pilliner

Date:
14/11/2018

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Stephen Pilliner	Date of initial assessment: 14/11/2018 Revision Dates: Ongoing
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £49,000 (by 2021/22) Amenity grass cutting around town centres.	
Is this existing or new function/policy, procedure, practice or decision?	New policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	To cease Amenity Grass Cutting around town centres or transfer to town councils as we are aware that some town councils have expressed an interest in undertaking this work.		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	
		Risks	Positive effects
4. If there is a disproportionately negative impact what mitigating factors have you considered?			

Protected characteristics	Age	(1) N (2) N (3) N	N/A	N/A	N/A
	Disability	(1) N (2) N (3) N	N/A	N/A	N/A
	Gender reassignment	(1) N (2) N (3) N	N/A	N/A	N/A
	Race	(1) N (2) N (3) N	N/A	N/A	N/A
	Religion/Belief	(1) N (2) N (3) N	N/A	N/A	N/A
	Pregnancy and maternity	(1) N (2) N (3) N	N/A	N/A	N/A
	Sexual Orientation	(1) N (2) N (3) N	N/A	N/A	N/A
	Sex	(1) N (2) N (3) N	N/A	N/A	N/A
	Welsh language	(1) N (2) N (3) N	N/A	N/A	N/A
	Any other area	(1) N (2) N (3) N	N/A	N/A	N/A

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A
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7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal / service. Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice. N/A

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8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:
Head of Service

Stephen Pilliner

Date:
14/11/2018

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Stephen Pilliner	Date of initial assessment: 14/11/2018 Updated: 16/01/2019. Revision Dates: Ongoing
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £32,000 (by 2021/22). Review all winter maintenance routes to rationalise the number of routes that are subject to treatment.	
Is this existing or new function/policy, procedure, practice or decision?	New policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Review all winter maintenance routes to rationalise the number of routes that are subject to treatment. All groups of people are impacted by winter weather conditions and the Winter Maintenance service which is conducted in the area. Overall, anyone who has a need to travel would be impacted to some extent. The review of the Winter Maintenance routes will adopt the risk based approach as set in our Highway Asset Management Plan, so that resources are targeted at those areas of greatest need.						
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?				
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Risks</td> <td style="width: 50%; text-align: center;">Positive effects</td> </tr> <tr> <td style="height: 100px;"></td> <td style="height: 100px;"></td> </tr> </table>	Risks	Positive effects			
Risks	Positive effects						

Protected characteristics	Age	(1) N (2) N (3) N			
	Disability	(1) N (2) N (3) N			
	Gender reassignment	(1) N (2) N (3) N			
	Race	(1) N (2) N (3) N			
	Religion/Belief	(1) N (2) N (3) N			
	Pregnancy and maternity	(1) N (2) N (3) N			
	Sexual Orientation	(1) N (2) N (3) N			
	Sex	(1) N (2) N (3) N			
	Welsh language	(1) N (2) N (3) N			
	Any other area	(1) N (2) N (3) N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?
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Some routes could be added to secondary routes with minimal impact to the routes taken by gritters, others will be impractical, so we may decide to place grit bins out. The availability of alternative and safer routes which continue to receive a gritting service should also be identified – for example, in adverse weather conditions, people can choose to use a main route, which may be a safer alternative to using a more direct albeit smaller, untreated road.

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, or service.

Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:

Head of Service

Stephen Pilliner

Date:

16/01/2019

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Stephen Pilliner	Date of initial assessment: 14/11/2018 Revision Dates: Ongoing
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £282,000 (by 2021/22). The County Council maintains 3,371 km of highway in Carmarthenshire. It is the second largest length of highway network in Wales. The Authority has a statutory duty to maintain the network to a safe standard to facilitate the safe movement of goods and people	
Is this existing or new function/policy, procedure, practice or decision?	New policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	To cease scheduled mechanical sweeping on rural roads. Town centre areas are swept by the Cleansing team, however, Highways undertake scheduled and ad hoc sweeping of rural roads and retain or hire sweepers to do this work. The proposal is that Highways will not continue to undertake ad hoc sweeping and will respond on a reactive basis to emergencies by hiring if there is a safety issue. Highways will also procure brush attachments to support the patch planing operation.		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
Protected characteristics	Age	(1) L (2) N (3) N			
	Disability	(1) L (2) N (3) N			
	Gender reassignment	(1) N (2) N (3) N			
	Race	(1) N (2) N (3) N			
	Religion/Belief	(1) N (2) N (3) N			
	Pregnancy and maternity	(1) N (2) N (3) N			
	Sexual Orientation	(1) N (2) N (3) N			
	Sex	(1) N (2) N (3) N			
	Welsh language	(1) N (2) N (3) N			
	Any other area	(1) N (2) N (3) N			

<p>5 16 Page 231</p> <p>Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input type="checkbox"/> NO <input checked="" type="checkbox"/></p>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?		
7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, or service. Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.		
8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?		
9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Approved by: Head of Service	Stephen Pilliner	Date: 14/11/2018

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Stephen Pilliner	Date of initial assessment: 14/11/2018 Updated: 16/01/2019. Revision Dates: Ongoing
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £150,000 (by 2021/22). The County Council maintains 3,371 km of highway in Carmarthenshire. It is the second largest length of highway network in Wales. The Authority has a statutory duty to maintain the network to a safe standard to facilitate the safe movement of goods and people.	
Is this existing or new function/policy, procedure, practice or decision?		New policy
What evidence has been used to inform the assessment and policy? (please list only)		
Budget		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	The proposal is to reduce the number of schemes delivered by the surface dressing programme. There will be an increased risk of further deterioration in the network that will affect all road users.						
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?				
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Risks</td> <td style="width: 50%;">Positive effects</td> </tr> <tr> <td style="height: 50px;"></td> <td style="height: 50px;"></td> </tr> </table>	Risks	Positive effects			
Risks	Positive effects						

Protected characteristics	Age	(1) Low (2) N (3) N	Older people can be less steady on their feet and more prone to trip hazards. Deteriorating carriageway conditions may lead to increased accidents and a reduced confidence in going out in public.	Surface dressing is predominantly used on rural roads, where pedestrian traffic is very light and the risk is perceived to be very low. If the road is pot holed, the pot hole will be repaired prior to surface dressing.
	Disability	(1) Low (2) N (3) N	As above but especially important with certain impairments such as poor vision or limited mobility.	Surface dressing is predominantly used on rural roads, where pedestrian traffic is very light and the risk is perceived to be very low. If the road is pot holed, the pot hole will be repaired prior to surface dressing.
	Gender reassignment	(1) N (2) N (3) N		
	Race	(1) N (2) N (3) N		
	Religion/Belief	(1) N (2) N (3) N		

Pregnancy and maternity	(1) Low (2) N (3) N	Women who are heavily pregnant may be at increased risk of falls if they are unsteady on their feet.		Surface dressing is predominantly used on rural roads, where pedestrian traffic is very light and the risk is perceived to be very low. If the road is pot holed, the pot hole will be repaired prior to surface dressing.
Sexual Orientation	(1) N (2) N (3) N			
Sex	(1) N (2) N (3) N			
Welsh language	(1) N (2) N (3) N			
Any other area	(1) N (2) N (3) N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?
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7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, or service. Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.

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8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:

Head of Service

Stephen Pilliner

Date:

14/11/2018

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Daniel W John, Waste Services Manager	Date of initial assessment: 14/11/2018 Revision Dates: Ongoing
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £165,000 (by 2021/22) Household Waste Recycling Centre provision.	
Is this existing or new function/policy, procedure, practice or decision?		New policy
What evidence has been used to inform the assessment and policy? (please list only)		
Budget Scoping Review		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Review the Household Waste Recycling Centre provision in the north of the County in addition to altering the operating parameters for all sites to provide a less costly service.						
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between different groups; and (3) foster good relations between different groups	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?				
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Risks</td> <td style="width: 50%;">Positive effects</td> </tr> <tr> <td style="height: 100px;"></td> <td style="height: 100px;"></td> </tr> </table>	Risks	Positive effects			
Risks	Positive effects						

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Protected characteristics	Age	(1) L (2) L (3) L	N/A	N/A	N/A
	Disability	(1) L (2) L (3) L	N/A	N/A	N/A
	Gender reassignment	(1) L (2) L (3) L	N/A	N/A	N/A
	Race	(1) L (2) L (3) L	N/A	N/A	N/A
	Religion/Belief	(1) L (2) L (3) L	N/A	N/A	N/A
	Pregnancy and maternity	(1) L (2) L (3) L	N/A	N/A	N/A
	Sexual Orientation	(1) L (2) L (3) L	N/A	N/A	N/A
	Sex	(1) L (2) L (3) L	N/A	N/A	N/A
	Welsh language	(1) L (2) L (3) L	N/A	N/A	N/A
	Any other area	(1) L (2) L (3) L	N/A	N/A	N/A

5. Has there been any consultation/engagement with the appropriate protected characteristics? YES NO

6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal / service.

Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice. N/A

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:
Head of Service

Ainsley Williams

Date:
14/11/2018

Initial Equalities Impact Assessment Template

Department: Environment	Completed by (lead): Daniel W John, Waste Services Manager	Date of initial assessment: 14/11/2018 Revision Dates: Ongoing	
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £66,000 (by 2021/22) Bring sites are located across the County to provide recycling facilities within communities. They currently cater for glass, paper and cans in the main. Undertake a review into the Bring site locations taking into account levels of usage and any other difficulties with the sites. A reduction of between 30 and 40% is predicted.		
Is this existing or new function/policy, procedure, practice or decision?		New policy	
What evidence has been used to inform the assessment and policy? (please list only)			
<ul style="list-style-type: none"> Budget 			

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Reduce fleet by 50% through reduction in Bring site provision.		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
Protected characteristics	Age	(1) L (2) L (3) L	N/A	N/A	N/A
	Disability	(1) L (2) L (3) L	N/A	N/A	N/A
	Gender reassignment	(1) L (2) L (3) L	N/A	N/A	N/A
	Race	(1) L (2) L (3) L	N/A	N/A	N/A
	Religion/Belief	(1) L (2) L (3) L	N/A	N/A	N/A
	Pregnancy and maternity	(1) L (2) L (3) L	N/A	N/A	N/A
	Sexual Orientation	(1) L (2) L (3) L	N/A	N/A	N/A
	Sex	(1) L (2) L (3) L	N/A	N/A	N/A
	Welsh language	(1) L (2) L (3) L	N/A	N/A	N/A
	Any other area	(1) L (2) L (3) L	N/A	N/A	N/A

<p>5 Page 24</p> <p>Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input type="checkbox"/> NO <input checked="" type="checkbox"/></p>
--	---

6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal / service.

Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice. N/A

8. Human resources

Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? Yes – The reduction in servicing of the sites would result in the displacement of a member of staff into another front line service.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)

YES

NO

Approved by:
Head of Service

Ainsley Williams

Date:
14/11/2018

Initial Equalities Impact Assessment Template

Appendix 1

Department: Chief Executive's	Completed by (lead): Linda Rees-Jones	Date of initial assessment: 09/11/18 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Schedule of Council Meeting Dates	
Is this existing or new function/policy, procedure, practice or decision?	New Policy	
What evidence has been used to inform the assessment and policy? (please list only) Assessment of volume of County Council business requiring decisions on Agendas		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	To streamline County Council decision making based on the reduction in the volume of business to be transacted following the implementation of executive arrangements.		
The Public Sector Equality Duty requires the Council to have "due regard" to the need to:-	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p>2019-2024</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
<p>Protected characteristics</p>	<p>Age</p>	N			
	<p>Disability</p>	N			
	<p>Gender reassignment</p>	N			
	<p>Race</p>	N			
	<p>Religion/Belief</p>	N			
	<p>Pregnancy and maternity</p>	N			
	<p>Sexual Orientation</p>	N			
	<p>Sex</p>	N			
	<p>Welsh language</p>	N			
	<p>Any other area</p>	N			

<p>5. Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>Not applicable.</p> <p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? Not applicable

7. Procurement
Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.
Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.
Not applicable

8. Human resources
Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?
Reduction in officer time scheduling, preparing for and attending meetings.

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO x <input checked="" type="checkbox"/>
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Approved by: Head of Service	Linda Rees-Jones	Date: 09/11/18
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	2019-2020 £'000	2020-2021 £'000	2021-2022 £'000	Description	Proposed Allocation 2019-20 £'000
Project Development Officer - Llanelli Wellness Centre	55				
Total for the Chief Executives Department	55	0	0		0
Childrens Services	100	50		Increasing cost of legal services due to cases tending to be more complex. Trends suggest that this pressure will continue	
ALN Reform	400			Provide key team to implement statutory reform provision & dissipate future financial /lgal challenges arising from a lack of capacity to deal with an increasing numbers of ALN/Inclusion challenges.	
Behaviour Support Services	200			Initial stage of behaviour review - setting up inclusion bases/behaviour pods	
WESP strategy implementation	70			Revenue funding to staff Welsh language immersion centres	
Curriculum Reform - Local	25			To support local curriculum developments as further releases of curriculum reform are progressed	
Transforming 14-16 Learning Pathways & Young Apprenticeships	200			Continuing work previously grant funded - partnership working, curriculum choice, developing links, helping to reduce NEEETs.	
Families First Hub coordinator	40			Provide more flexibility across the 3 hubs and ensure staff are deployed effectively to maixmise benefit to young people.	
Youth Worker- Health & Well being	36			Previously funded via a grant and recognised as good practice to provide such a service.	
Governance/Finance/School Reorganisation Challenge Advisor	60			Education post to coordinate school management and review with HR & Finance	
School Meals Service - legislative kitchen maintenance	100			Maintenance of school kitchens is on a priority basis and current budget does not cover urgent works across over 100 kitchens.	
School Admissions-IT Development and Post	50			Further development of software required to meet needs of the LA. In the longer term, an additional member of staff would then enable system maintainence & upgrade.	
Assessment team - additional social worker	45			Existing teams need additional resource to manage case loads within appropriate time constraints.	
Direct payments	50			Ongoing review of most effective support for families. Increasing offer of flexibility for families moving away from traditional respite support.	
Total for the Education & Childrens Department	1,376	50	0		600
Demographic Pressure 3.9% population growth 75+	1,797	1,867	1,940	Based on anticipated increase in demand on residential and domiciliary care related to population growth	
National Living Wage pressure on Commissioned care	1,695	1,695	1,145	Current estimate on commissioned services if Govt make mandatory increases in hourly rate of Dom care and res care	
Domiciary Care - impact of Allied Health situation	100	100	100		
Total for the Communities Department	3,592	3,662	3,185		2,400 (600 excl grant)
Housing Benefit - Administration Grant reduction	50			reduction in administration grant received from DWP	
Corporate Insurance	53			Increase in premium for corporate cover	
Total for the Corporate Services Department	103	0	0		0
Waste strategy	205	590	644	as per draft Waste strategy costings.	
Potential reduction in SWM Grant	156	156	156	Estimated shortfall in the Sustainable Waste Management grant based on the reduction between 17/18 and 18/19.	
Kerbside Glass Collection		250		Potential net cost of introducing kerbside glass collection (cost offset by reduction in Bring Site provision).	
Potential New HWRC in northern sector of County.		50		Running costs for potential new HWRC in the northern sector of the County, over current and previous provision.	
Eradication of Japanese knotweed	25			Statutory obligation to remove the knot weed from Council land	
Purchase of litter bins	25			Purchase of litter bins	
Creation of a Sustainable Drainage Approval Body	108	76		Implementation of schedule 3 of the Flood and Water Management Act 2010. From the 7th of January 2019 CCC will be required to review and approve applications for all developments with 'drainage implications'. In addition, there is a requirement for the SAB to adopt and manage the surface water drainage systems once they are satisfied that, if constructed, the drainage system is compliant with national standards. The cost of funding 3 FTES as the first phase of implementation would be approximately £108k (Systems Officer, Engineer & Technician) with an additional 2 FTES in the following year.	
Transport					
Cycle routes maintenance	75			Highways maintenance of cycle routes plus on road C class routes to support the Cycling strategy.	
School transport	200	180	180	Market pressures, Demographic growth and MEP pressures. Review of profiling to be undertaken.	
Public rights of way	70	80		ROWIP commitments - cessation of a ROWIP grant	

	2019-2020 £'000	2020-2021 £'000	2021-2022 £'000	Description	Proposed Allocation 2019-20 £'000
Tywi Valley path	50	70	50	Maintenance of the Tywi valley path	
Active Travel Act	45	45		Requirements of the Active Travel Act as a legislative demand, particularly given the future shape of LTF funding; we currently spend Circa £15-£20 p.a. on the administration elements (this does not include scheme delivery that recognises our requirement to demonstrate continuous improvement)	
Parking Services - income	451			Car Park validation of income not achievable plus carry forward of legacy policy decisions on charging.	
Parking Services - ticket machines	160			Modernise car park ticket machines	
Highway Maintenance	500	500	500	Adverse weather repairs to highway	
Delivery of the Highways Asset Management Plan	100	150	150	Highway drainage inventory and condition survey - Collection of above and below ground inventory data to address flood risk management and risk based maintenance prioritisation. (£50k in years 2 and 3); Infrastructure video inventory update - Network video survey enabling inventory capture, point cloud data and condition assessment (£100k in years 1,2 and 3)	
Planning					
LDP - Programme Officer & enquiry costs	10	90		Additional funding required to meet the ongoing costs associated with the legislative requirements arising from the review and preparation of the Local Development Plan including ICT requirements, evidence gathering and examination costs.	
Built Heritage Projects & Training Co-ordinator	29	17		Additional funding is required to employ a Projects and Training coordinator within the Built Heritage team. A business plan is currently being developed that demonstrates that the continued development of the Built Heritage Team will have outcomes which will contribute to meeting the requirements of the Well-being of Future Generations (Wales) Act 2015	
Establishment of a Development and Delivery Unit.	104			Establishment of a Development and Delivery unit that would support delivery of CCC's statutory functions, capital projects, generation of capital receipts and regeneration ambitions. The unit would put in place an innovative approach aimed at delivering the above, adding value and control through bringing planning support in house reducing external commissions etc. and building on skills across the authority.	
Total for the Environment Department	2,313	2,254	1,680		1,300
TOTAL	7,439	5,966	4,865		4,300 (2,500 excl grant)

EXECUTIVE BOARD

DATE 4TH FEBRUARY 2019

FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) – 2019/20 TO 2023/24

EXECUTIVE BOARD RECOMMENDATIONS:

That Executive Board consider and recommend to County Council:

1. The Five Year Capital Programme and funding as detailed in Appendix B, with 2019/20 being a hard budget and 2020/21 to 2023/24 soft/indicative budgets.
2. That the programme be reviewed, as is usual, if anticipated External or County Council funding does not materialise.
3. That the Capital Strategy (Appendix C) be approved.

REASONS:

To enable the Authority to agree a Five Year Capital Programme 2019/20 to 2023/24.

Relevant Scrutiny Committee Consulted	YES
Exec Board Decision Required	YES
Council Decision Required	YES

Directorate: Corporate Services Chris Moore	Designation: Director of Corporate Services	Telephone: (01267) 224120 E-mail address: cmoore@cararthenshire.gov.uk
Report Author: Mark Gower	Senior Accountant – Capital	mgower@cararthenshire.gov.uk

EXECUTIVE SUMMARY
EXECUTIVE BOARD
DATE 4TH FEBRUARY 2019

**FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) – 2019/20
TO 2023/24**

The report brings together the latest proposals for the Five Year Capital Programme 2019/20 to 2023/24. The report also takes account of the consultation exercise undertaken and the revenue implications arising from the capital programme.

The capital programme proposed gross expenditure for 2019/20 is £104.708m with the projected funding of the programme being £59.109m from the County Council through the use of borrowing, capital receipts, reserves and general capital grant. The balance of funding of £45.599m will come from external sources.

The capital programme is projected to be fully funded over the 5 years from 2019/20 through to 2023/24.

The Capital Programme also includes projected expenditure that is to be expended on the Swansea Bay City Region Deal projects, which the authority will borrow against with the funding being returned from WG and UK government over a 15 years period.

The Prudential Code for Capital Finance in Local Authorities was updated by the Chartered Institute of Public Finance and Accountancy (CIPFA) in December 2017.

This Code dictates that “authorities should have in place a capital strategy that sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.” The Capital Strategy covers both Council Fund and HRA capital. This Capital Strategy is included as Appendix C.

DETAILED REPORT ATTACHED?

YES

INTEGRATION

I confirm that the Community Strategy Integration Tool has:

Not been used to appraise the subject of this report as it is not appropriate to do so.

Signed: C. Moore

Director of Corporate Services.

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: C. Moore

Director of Corporate Services.

Policy and Crime & Disorder	Legal	Finance	ICT	Risk Management Issues	Organisational Development	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	YES

Finance

The updated Capital Programme is projected to be fully funded for the 5 years 2019/20 through to 2023/24. If any of the currently anticipated funding does not materialise, the Capital Programme will need to be revisited.

Physical Assets

New assets created from the Capital Programme will be added to the Council's portfolio. In addition the Programme proposes expenditure to improve the existing assets and comply with statutory responsibilities.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: C. Moore

Director of Corporate Services

1. Local Member(s) N/A.
2. Community / Town Council N/A
3. Relevant Partners Full consultation has been undertaken
4. Staff Side Representatives and other Organisations Full consultation has been undertaken

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:
These are detailed below

Title of Document	File Ref No.	Locations that the papers are available for public inspection
2018-23 Capital Programme		Corporate Services Dept., County Hall, Carmarthen
2019-24 Capital Programme		Corporate Services Dept., County Hall, Carmarthen

REPORT OF DIRECTOR OF CORPORATE SERVICES

EXECUTIVE BOARD

4th FEBRUARY 2019

FIVE YEAR CAPITAL PROGRAMME – 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24

HEAD OF SERVICE & DESIGNATION	DIRECTORATE	TELEPHONE NO.
C Moore, Director of Corporate Services	Corporate Services	01267 224120
AUTHOR & DESIGNATION	DIRECTORATE	TELEPHONE NO.
C Moore, Director of Corporate Services	Corporate Services	01267 224120
M Gower, Senior Accountant		01267 224188

1. INTRODUCTION

- 1.1. Executive Board on the 17th December 2018 considered and endorsed the draft five year Capital Programme 2019/20 to 2023/24 report for consultation purposes.
- 1.2. This report updates members on the latest position taking account of the consultation results and aims to establish the Authority's five year Capital Programme.
- 1.3. Since the consultation process, an extra £600k has been confirmed by Welsh Government in relation to additional general capital grant awarded. Details are included in paragraph 3.5 below. The Additional £600k has been allocated equally (£200k each) to Disabled Facilities Grant (2019/20), Tywi Valley Path (2019/20) and Amman Valley Leisure Centre (2020/21). There was also a minor change to the supported borrowing figure from Welsh Government, which increased the supported borrowing from £5.867m to £5.868m for 2019/20, thus giving an additional £5k over the 5 years of the capital programme. The additional £5k has been allocated to Provision Expenditure in Education for 2019/20.
- 1.4. The Authority is required to approve a rolling capital programme each year as part of the budget process. This facilitates forward planning, is consistent with the requirements of the Prudential Code in terms of financial planning and funding, and assists officers in bidding for external funding.
- 1.5. The Executive Board needs to consider the detailed proposals within the report and approve the recommendations in accordance with Council policy.

2. CONSULTATION

- 2.1. The budget consultation exercise was launched with the approval of the three year budget strategy by executive board on 19th November 2018. The detailed provisional Capital Programme (Appendix B) was then endorsed for consultation by Executive Board on 17th December 2018 and has subsequently been presented to the Policy and Resources Scrutiny Committee on 11th January 2019 to seek their views on the five year proposals. The relevant minute of the Committee meeting is appended (Appendix A) for review and comprehensive feedback on the wider consultation is detailed within the Revenue Budget report which is being presented to the same meeting.

3. FUNDING

- 3.1. The final settlement which has recently been received from the Welsh Government (WG) indicates capital funding of £11.421m for the Authority in 2019-20. This is made up of Supported Borrowing of £5.868m and General Capital Grant of £5.553m. Included within the General Capital Grant of £5.553m is £1.983m of additional General Capital funding referred to in point 3.5 below.
- 3.2. The level of capital receipts funding included within the programme has been revised in line with latest estimates. General capital receipts of £9.642m are forecast over the 5 year period. In addition a further £0.488m of earmarked education receipts is expected from the sale of redundant school buildings. It should be noted that there may be a need to amend future capital programmes if there is a shortfall in expected receipts.
- 3.3. Use of earmarked reserves was approved as part of previous year's reports and were included as funding for the current capital programme. In total some £45m of reserve funding is included over the five years of this programme.
- 3.4. Within the Modernising Education Programme (MEP) additional resources have been approved in recent years for the Band A 21st Century Schools projects. (This was in response to a request by the WG to bring forward their Band A projects). This investment includes supported borrowing, earmarked reserves and capital receipts and is part of the County Council's 50% contribution towards the Band A projects with the balance in funding coming from the WG.

WG have recently announced the approval of the Band B programme running from 2019 to 2026, with an estimated programme value of £129.5m for Carmarthenshire. This will require a Local Authority (LA) contribution in the region of £36.5m capital funding of which £23m is allocated within the programme to 2024. Recently the WG announced an increase to their contribution level towards the Band B projects with the new rate being 65% and the County Council's contribution rate now being 35%. For Special Schools the WG contribution rate has increased to 75% of scheme costs.

The £129.5m allocation includes £25m for the Mutual Investment Model (MIM) projects for which the LA is required to contribute 25% from revenue funding. The Mutual Investment Model is an alternative funding model developed by Welsh Government, which takes account of the whole life costs of the education building, and would be funded through a revenue contribution of up to 25% and WG grant funding of 75%. The Authority will need to monitor closely the development of this programme in order to ensure that funding is available to cover the projects as they are committed.

- 3.5. On the 20th November 2018 Welsh Government announced proposals for additional funding for local authorities. Within this announcement the then Cabinet Secretary identified an additional £100m general capital grant over a 3 year period, this being phased £50m 2018/19, £30m 2019/20, £20m 2020/21. On the 10th January Welsh Government confirmed the amount of this additional funding for us as an Authority, and it equates to £6.6m., this has now been included within the proposed capital programme funding. The council's additional allocation per year is as follows, £3.298m in 2018/19, £1.983m in 2019/20 and £1.319m in 2020/21.
- 3.6. Funding from external parties in the form of grants for the whole of the capital programme is currently expected to be in the region of £128m.

4. CAPITAL PROGRAMME 2019/20 TO 2023/24

- 4.1. When the capital programme was approved at County Council on 21st February 2018 it was fully funded apart from the 4th year (2021/22) that showed a shortfall of £1.462m. This shortfall was subsequently addressed during the closure of the 2017-18 accounts.
- 4.2. As part of the compilation of the proposed Capital Programme a review of the years 2019/20 to 2022/23 has been undertaken and new expenditure/schemes have been proposed for the 5th Year 2023/24. The paragraphs below detail the changes to the existing projects and identifies the new proposals. The revised capital programme inclusive of the amendments and new projects is set out in Appendix B

Community Services

- 4.3. Within Community Services a commitment was made previously for continued developments at Pembrey Country Park, Carmarthen Museums Collections and Park Howard museum.
- 4.4. A further £700k has been allocated in 2020/21 for the upgrading of Amman Valley Leisure Centre.
- 4.5. In 2023/24 within Private Sector Housing, funding is provided for Disabled Facility Grants £2m. An additional £200k was also allocated to Disabled Facility Grants in 2019/20.

Environment

- 4.6. For 2023/24 further allocations to existing rolling programmes of work are included such as Highway Improvements £600k, Bridge Maintenance £400k and Road Safety Improvement £250k.
- 4.7. Highway Maintenance has been successful in securing £1.5m additional Welsh Government grant for 2018/19, 2019/20 and 2020/21 through a Road Refurbishment Grant. The 2019/20 and 2020/21 will directly benefit this proposed capital programme.
- 4.8. An additional £450k has been allocated to Tywi Valley Path for 2019/20.
- 4.9. A further phase of the redevelopment of the Glanamman Industrial Estate at £1m is included within the programme. The continuation and ongoing investment into Capitalised Maintenance of £3m is proposed for 2023/24.
- 4.10. The 5 year Fleet Replacement Programme for £9.275m is included to ensure that vehicles and plant machinery assets are replaced when they reach the end of their viable economic life. The funding for this capital spend will be provided directly from revenue budgets of the service users via prudential borrowing.

Education and Children

- 4.11. In the Education and Children capital programme the MEP includes the continuation of the Band A 21st Century Schools improvement programme. The programme has been re-profiled to reflect updated costs and the phasing of work. Schemes are funded jointly by Welsh Government grant and the Authority.
- 4.12. Further funding has been allocated for the next stage of the 21st Century Schools improvement programme – Band B. £23m has been earmarked from County Council resources to match fund this investment. The councils investment will attract £47m of Welsh Government match funding based on a 65% grant for schools and a 75% grant for special school.

Welsh Government have recently approved a programme of schemes totalling £129.5m for Carmarthenshire, which includes Capital Grant funding and the Mutual Investment Model.

The Mutual Investment Model looks at life cycle cost over a 25 year period, and will be delivered with a Welsh Government partner. The model currently being developed by the Welsh Government council has identified 3 schemes that are likely to be delivered by this model. However as clarity is provided by Welsh Government, these schemes may change with other Band B proposals. The match funding available for the MIM programme currently is at an intervention rate of 75%.

Chief Executive

- 4.13. IT services have £2.2m allocated across the programme. Priority of projects is to be reviewed by the service to ensure that the authority's needs are managed.

Regeneration

- 4.14. Transformation Strategy Project Fund has been allocated £1.5m for 2023/24, along with allocations made in February 2018 for 2019/20 for Rural Enterprise Fund of £1m and the Commercial Property Development Fund £1.5m to meet demand on existing grant schemes for 3rd party business's and commercial developments to create new employment opportunities and encourage economic growth.
- 4.15. Included within Regeneration (City Deal) is a budget of £6.918m for the Llanelli Area Review. This budget will be used in conjunction with the £82k allocated in previous years. Thereby the total budget for this scheme still stands at £7.0m and will form part of the council's contribution to the Wellness village.
- 4.16. Also included within the Regeneration (City Deal) is a budget of £16.470m for Llanelli Leisure Centre. This budget will be used in conjunction with the £30k allocated in previous years. Thereby the total budget for this scheme still stands at £16.5m and will form part of the council's contribution to the Wellness village.
- 4.17. The Capital Programme includes the proposed expenditure on the 2 Capital City Deal Projects that are funded by WG. This expenditure, whilst being incurred by the Authority will be repaid to the Authority over a 15 year period by Welsh Government. The structure of the City Deal projects is that WG expects the Authority deliver the projects and raise the funding through borrowing which will then be repaid by grant over the next 15 years. The projects or the Authority will need to accommodate the interest payments on this borrowing (CC revenue budget currently does not include any funding for these interest payments). The 2 Capital projects the Authority will deliver are the Wellness Village at £40m with current forecasted expenditure being profiled £20m for 2019/20, £19.6m for 2020/21 and £0.4m for 21/22., and Yr Egin at £5m being profiled £3m for 2018/19 and £2m for 2020/21. You will note that in Appendix B, both the £40m for the Wellness Village and the £2m for Yr Egin are reflected as External Funding.

5. WELLBEING OF FUTURE GENERATIONS (WALES) ACT 2015

- 5.1. In considering the capital programme, members need to take into consideration the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Act requires the public bodies to carry out development sustainably, improving the economic, social, environmental and cultural well-being of Wales.

'... the public body must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs'

- 5.2. In doing so, we must demonstrate the following five ways of working:
 - i. Looking at the long-term so that we do not compromise the ability of future generations to meet their own needs
 - ii. Understanding the root causes of issues to prevent them recurring
 - iii. Taking an integrated approach so that we look at all well-being goals and objectives of other services and partners
 - iv. Working with others in a collaborative way to find shared sustainable solutions
 - v. Involving a diversity of population in decisions that affect them

- 5.3. The Act identifies seven well-being goals and provide a shared vision for public bodies to work towards. We must work towards achieving all of them.
 - i. A prosperous Wales
 - ii. A resilient Wales
 - iii. A healthier Wales
 - iv. A more equal Wales
 - v. A Wales of cohesive communities
 - vi. A Wales of vibrant culture and thriving Welsh Language
 - vii. A globally responsible Wales

- 5.4. Our well-being objectives are designed to maximise our contribution to achieving the seven well-being goals of the Act.

- 5.5. All projects within the programme have been assesses and scored with the five ways of working, the seven goals and our corporate well-being statement in mind.

6. SUMMARY

The table below gives a breakdown of the expenditure by departments and the sources of funding.

Capital Programme Summary

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
<u>Expenditure</u>					
Community Services	9,014	2,800	2,550	2,100	2,000
Environment	11,890	10,456	13,865	7,215	4,310
Education & Children	36,381	27,820	16,518	10,543	2,705
Chief Executive	1,060	250	900	0	0
Regeneration	46,363	37,100	6,058	4,500	4,500
Total Expenditure	104,708	78,426	39,891	24,358	13,515
<u>Grants and Contributions</u>					
External Funding	45,599	50,560	17,925	10,860	3,200
Net Expenditure Funded by CCC	59,109	27,866	21,966	13,498	10,315
<u>CCC Funding</u>					
Supported Borrowing	5,868	5,868	5,868	5,868	5,868
Unsupported Borrowing	5,000	500	0	0	0
General Capital Grant	3,570	3,570	3,570	3,570	3,570
General Capital Grant (3 year allocation of £6.6m)	5,281	1,319	0	0	0
Capital Receipts	7,130	1,500	1,500	0	0
Capital Reserves	23,624	8,393	48	80	627
Additional Borrowing – MEP	4,987	0	0	0	0
Prudential Borrowing - Fleet Replacement	549	366	6,380	1,980	0
MEP Reserve/DRF	0	5,750	4,000	2,000	250
Joint Venture Funding Llanelli Leisure Centre	2,500	0	0	0	0
Direct Revenue Funding	600	600	600	0	0
Overall Net Position : Surplus (+) / Deficit (-)	0	0	0	0	0

- 6.1. To summarise the overall position, the capital programme is fully funded for the 5 years from 2019/20 to 2023/24, based on the Authority's estimated projection of funding.
- 6.2. The total cost of the programme is £261m of which £133m is to be funded by the County Council and £128m is funded from external grants and contributions.
- 6.3. The full detail of the proposed five year capital programme is attached in Appendix B.

7. REVENUE IMPLICATIONS

- 7.1. No revenue implications have been validated within the revenue budget and if funding is required, departments will need to find resources from within their existing budgets.

8. RECOMMENDATIONS

- 8.1. That Executive Board consider and recommend to County Council:

8.1.1 The five year Capital Programme and funding as detailed in Appendix B, with 2019/20 being a hard budget and 2020/21 to 2023/24 soft/indicative budgets.

8.1.2. That the programme be reviewed, as is usual, if anticipated External or County Council funding does not materialise

8.1.3 That the Capital Strategy (appendix C) be approved.

REPORT OF DIRECTOR OF CORPORATE SERVICES**EXECUTIVE BOARD****4th FEBRUARY 2019****Capital Budget Consultation**

DESIGNATION. C Moore, Director of Corporate Services	DIRECTORATE Corporate Services	TELEPHONE NO. 01267 224120
AUTHOR & DESIGNATION C Moore, Director of Corporate Services	DIRECTORATE Corporate Services	TELEPHONE NO 01267 224120

SCRUTINY COMMITTEE – BUDGET CONSULTATIONS COMMENTS**POLICY AND RESOURCES SCRUTINY COMMITTEE – 11th JANUARY 2019****5. FIVE YEAR CAPITAL PROGRAMME 2019/20 - 2023/24**

The Committee considered the 5 year capital programme which had been approved by the Executive Board for consultation on the 17th December 2018. It was noted that feedback from the consultation process, along with the outcome of the final settlement, would inform the final budget report which would be presented to Council for consideration in February, 2019. The proposed capital programme was a capital spend of some £260m over the next 5 years and current funding proposals included external funding of £128m. The report highlighted the provisional settlement received from the Welsh Government which indicated capital funding of £9.437m for the Authority in 2019-20. The funding was made up of Supported Borrowing of £5.867m and General Capital Grant of £3.570m. In summary, the overall position of the capital programme was funded for the 5 years from 2019/20 to 2023/24.

The Director of Corporate Services advised that the Welsh Government had recently announced its approval for the Band B 21st Century Schools programme running to 2024 with the significant change in the intervention rate from 50% to 65% for schools generally and from 50% to 75% for special schools. This had provided the authority with scope to deliver more schools within the £129.5m Band B programme of which it funded £70m.

It was noted that also included were the City Deal Schemes for the Wellness Village and Yr Egin. The Llanelli Leisure Centre and the Llanelli area review had also been identified as key components of the Wellness Village.

Amongst the issues raised during consideration of the report were the following:

- In response to queries and concerns relating to the future of the Wellness Village scheme following recent suspensions at Swansea University the Director of Corporate Services advised that the Collaboration Agreement had, as reported to Council on the 12th December 2018, been terminated, and officers were working with Hywel Dda Local Health Board, University of Wales Trinity St David and Swansea University to bring forward an alternative delivery model that would see the Council itself facilitating the private investment needed. Members were assured that there were no financial risks for the Authority and the only expenditure which had been committed had been utilised for planning purposes and infrastructure. The Director of Corporate Services agreed to apprise the Committee members of any further developments via e mail;
- The Director of Corporate Services clarified that 'Prudential Borrowing' referred to un-supported borrowing funded directly by the Authority.

UNANIMOUSLY RESOLVED

5.1 that the Five Year Capital Programme 2019/20 – 2023/24 be endorsed;

5.2 that an update report on the Wellness Village scheme be submitted to the next meeting.

Five Year Capital Programme Proposals 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24

Capital Programme															
COUNCIL FUND	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme
	2019/20			2020/21			2021/22			2022/23			2023/24		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNITIES															
Private Sector Housing															
Disabled Facility Grants	2,200		2,200	2,000		2,000	2,000		2,000	2,000		2,000	2,000		2,000
Social Care															
Learning Disabilities	148		148												
Leisure															
Sports & Leisure															
AstroTurf Pitch (ATP) replacement at CLC							250		250						
Parks & Countryside															
Rights of Way Improvement Programme	50	50	100	50	50	100	50	250	300	50	50	100			
Pembrey Country Park Masterplan	500		500												
Cardiff Leisure Centre & Track	375		375												
Amman Valley Leisure Centre Masterplan	975		975	700		700									
Burry Port Harbour Dredging	488		488												
Burry Port Harbour Wall Works	1,399		1,399												
Libraries & Museums															
Parc Howard Museum Masterplan	500		500												
Cardiffshire County Museum Abergwili	1,134		1,134												
Cardiffshire Museums Collections	495		495												
Cardiffshire Archive Relocation	700		700												
Total Communities	8,964	50	9,014	2,750	50	2,800	2,300	250	2,550	2,050	50	2,100	2,000	0	2,000
ENVIRONMENT															
Street Scene															
Highways Infrastructure															
- Highways	600	1,500	2,100	600	1,500	2,100	600		600	600		600	600		600
- Bridges	400		400	400		400	400		400	400		400	400		400
Pen Y Coed Landfill - Culvert	100		100												
Transportation															
Multi Storey Car Park, Llanelli	60		60	60		60	60		60	60		60	60		60
Road Safety Improvement Schemes	275		275	350		350	375		375	350		350	250		250
Cross Hands Economic Link Road Phase 2		100	100	300	1,280	1,580	750		750	750		750			
Tywi Valley Path	1,000	750	1,750	500	750	1,250	500	750	1,250						
Ammanford Distributor Road Phase 2	100	50	150	150	25	175		150	150						
Walking & Cycling Linkages	100	300	400	100	325	425	100	375	475	100		100			
Transport Interchange & Bus Corridor Improvements	0	5	5		100	100		100	100						
Safe Routes in the Communities	0	225	225		225	225		225	225						
Wind St/Tirydail Junction Ammanford	0	90	90												
A138 Hendy Link Road	100	275	375	25	250	275		150	150	50		50			
Highway Junction Improvements/Signals Upgrade	25	135	160	25	110	135	25	25	50	25		25			
Tiret Replacement - Prudential Borrowing	549		549	366		366	6,380		6,380	1,980		1,980			
Property															
Office Working	521		521	115		115									
Capital Maintenance	3,572		3,572	2,900		2,900	2,900		2,900	2,900		2,900	3,000		3,000
Cardiffnam Industrial Estate Redevelopment	1,000		1,000												
East Gate Fit Out	58		58												
Total Environment	8,460	3,430	11,890	5,891	4,565	10,456	12,090	1,775	13,865	7,215	0	7,215	4,310	0	4,310

Five Year Capital Programme Proposals 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24

Capital Programme															
COUNCIL FUND	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme	County Council Funding	External Funding	Total Scheme
	2019/20			2020/21			2021/22			2022/23			2023/24		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
REGENERATION															
Transformation Strategy Project Fund	1,230	500	1,730	1,500	3,000	4,500	1,500	3,000	4,500	1,500	3,000	4,500	1,500	3,000	4,500
Rural Enterprise Fund	2,066		2,066												
Cross Hands East Employment Site	592		592												
Cross Hands East Plot 3	985		985												
Cross Hands Phase 2	190		190												
Transformation Commercial Property Development Fund	3,130		3,130												
Pendine Iconic International Visitors Destination	2,290	2,500	4,790												
Ammanford Regeneration Development Fund	230		230												
Carmarthen Town Regeneration - Jacksons Lane	873		873												
Opportunity Street	339		339												
Laugharne Carpark	208		208												
City Deal Projects															
City Deal - Wellness Village ***	0	20,000	20,000		19,600	19,600		400	400			0			0
City Deal - Llanelli Leisure Centre	4,970	1,000	5,970	7,000	2,500	9,500		1,000	1,000			0			0
City Deal - Llanelli Area Review	5,260		5,260	1,500		1,500	158		158			0			0
City Deal - Yr Egin Phase II ***	0				2,000	2,000									
Total Regeneration	22,363	24,000	46,363	10,000	27,100	37,100	1,658	4,400	6,058	1,500	3,000	4,500	1,500	3,000	4,500
Total Council Fund	59,109	45,599	104,708	27,866	50,560	78,426	21,966	17,925	39,891	13,498	10,860	24,358	10,315	3,200	13,515
County Council Funding															
Supported borrowing	5,868			5,868			5,868			5,868			5,868		
Unsupported borrowing	5,000			500											
General Capital Grant (Additional £6.6m)	5,281			1,319											
General Capital Grant	3,570			3,570			3,570			3,570			3,570		
Capital Receipts	7,130			1,500			1,500								
Reserves	23,624			8,393			48			80			627		
Borrowing MEP	4,987														
Joint Venture Funding Llanelli Leisure Centre	2,500														
MEP Reserve Contribution	0			5,750			4,000			2,000			250		
Direct Revenue Financing	600			600			600								
Prudential Borrowing - Fleet Replacement	549			366			6,380			1,980					
Total County Council Funding	59,109			27,866			21,966			13,498			10,315		
Net Position (Minus = Shortfall)	0			0			0			0			0		

* The external funding for the Wellness Village is a 15 year loan repayment from the Welsh Government as detailed in the report (Appendix B)

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CAPITAL STRATEGY 2019-20

A. PURPOSE AND AIMS

The Prudential Code for Capital Finance in Local Authorities was updated by the Chartered Institute of Public Finance and Accountancy (CIPFA) in December 2017.

This Code dictates that “authorities should have in place a capital strategy that sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.”

The Capital Strategy is a new requirement from April 2019 to show how this Council makes capital expenditure and investment decisions in line with service objectives and properly takes account of:

- Stewardship / good professional practice
- Value for money
- Prudence / risks considered
- Sustainability
- Affordability

This Capital Strategy sets out a framework for the self-management of capital finance and examines the following areas:

- Capital expenditure and investment plans
- Treasury Management
- Prudential Indicators
- Commercial activity
- Knowledge and skills

The above considerations help to support local strategic planning, local asset management planning and effective option appraisal.

Through this Capital Strategy elected members will see how future capital expenditure, capital financing and treasury management activities will contribute to the provision of services, together with a summary of how associated risks are managed and the implications for future financial sustainability. It will highlight the governance framework required to ensure the Strategy is delivered.

B. ECONOMIC BACKGROUND

It is important to set out the external environment in which Carmarthenshire County Council is currently operating. One of the key factors that impact directly on the capital programme is the reduced revenue funding for local government. Due to the pressure on public finances, the Welsh Government's budget is substantially lower than it was in 2010. The Welsh Government's budget in 2019-20 will be 5% lower in real terms than in 2010-11. This is the equivalent of £800m less to spend on public services in Wales.

The Welsh Government has indicated that "with the prospect of a UK Government Spending Review in 2019 and many unanswered questions surrounding the future of the UK outside the EU, including what the final Brexit deal will look like, our ability to plan beyond the short-term is restricted." (Welsh Government Draft Budget 2019-20 Outline Proposals).

Despite these uncertainties Carmarthenshire will continue to identify, plan, fund and implement long term in non-current assets in order to help the Council deliver departmental strategies and wider Council plans.

C. CARMARTHENSHIRE'S STRATEGIC RESPONSE

In considering capital implications, the Council takes into consideration the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Act requires that we must carry out sustainable development, improving the economic, social environmental and cultural well-being of Wales. The Act requires us to look at the long term, prevention of recurring problems, integration of approach, collaboration with others and involving stakeholders. Carmarthenshire's Well Being objectives have a direct impact on the Council Capital Strategy. Some of these include:

- Start Well - help to give every child the best start in life and improve their early life experience
- Live Well - increase the availability of rented and affordable homes
- Age Well - support the growing numbers of older people to maintain dignity and independence in their later years
- In a Healthy and Safe Environment - improve the highway and transport infrastructure and connectivity

This Capital Strategy supports Carmarthenshire's Well-being Objectives.

D. WHAT IS CAPITAL EXPENDITURE?

Capital expenditure is expenditure on non-current assets such as Property, Plant and Equipment, Investment Properties and Heritage Assets. This would include the acquisition or construction of new assets, together with any subsequent expenditure on major upgrades or development work to those assets.

Expenditure which adds to and does not merely maintain the value of an existing asset, should be capitalised, provided that it yields benefits to the authority and the services it provides are for a period of more than one year.

Capital expenditure is defined by legislation as:

- the acquisition, reclamation, enhancement or laying out of land
- the acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures
- the acquisition, installation or replacement of moveable or immovable plant,
- machinery, apparatus, vehicles and vessels.

An understanding of what constitutes capital expenditure is fundamental to realising the benefits that an authority can obtain under the Prudential framework. Unless expenditure qualifies as capital it will normally fall outside the scope of the framework and be charged to revenue in the period that the expenditure is incurred. If expenditure meets the definition of capital, there may be opportunities to finance the outlay from capital receipts or by spreading the cost over future years' revenues.

E. CARMARTHENSHIRE'S APPROACH TO CAPITAL INVESTMENT

A 'Managing Capital' procedure document has been adopted as a policy for the Authority. Within this document Carmarthenshire's approach to capital investment is conveyed. A sub-strategy that feeds into the Authority's overall Corporate Strategy is the Capital Programme. The Programme is closely linked to various other sub-strategies such as the Corporate Asset Management Plan, Local Transport Plan, Digital Transformation Strategy and the Service Departments' Business Plans. The 'Managing Capital' document explains that the aim is to deliver projects and outputs that meet the set objectives. The Capital Programme is prepared and approved on a five-year forward plan basis in order to:

- Provide a detailed implementation plan to enable the high level objectives to be realised
- Provide a financial commitment to allow sufficient time to adequately plan, design and implement future schemes and projects
- Provide an overview of the likely future commitments arising from current Schemes.

Carmarthenshire's Capital Strategy defines and outlines its approach to capital investment and is fundamental to the Council's financial planning processes. It aims to ensure that:

- Capital expenditure contributes to the achievement of the Council's strategic plan
- An affordable and sustainable capital programme is delivered
- Use of resources and value for money is maximised
- A clear framework for making capital expenditure decisions is provided
- A corporate approach to generating capital resources is established

- Access to sufficient long term assets to provide services are acquired and retained
- Invest to Save initiatives to make efficiencies within the Council's revenue budget are encouraged
- An appraisal and prioritisation process for new schemes is robust.

F. GOVERNANCE FRAMEWORK

It is important given the risks surrounding Capital Projects that the appropriate Governance framework is in place:

Capital Programme Approvals

All capital expenditure must be carried out in accordance with the financial regulations. The expenditure must comply with the statutory definition of capital purposes as defined within this document and wider financial standards. The Capital Programme approved by Full Council as part of the Council's annual budget report sets the capital funding availability for the Council, the prioritisation of funding and the schemes receiving entry into the Capital Programme. All schemes are formally approved into the capital programme by following a process as set out in the financial regulations. Officers are not authorised to commit expenditure without prior formal approval as set out in the financial regulations. Each scheme must be under the control of a responsible person/project manager.

The Departmental Project Working Group (DPWG) monitors and reports on departmental capital programmes, in line with parameters set by the Strategic Assets Steering Group (SASG). The working groups will identify, monitor, develop and manage the Directorate's medium and long term capital programme. The groups will champion best practice and help ensure compliance with the Council's Project Management Procedures and Policies, ensuring the Grants Compliance Project Manual is followed, the Council Managing Capital document is adhered to and there is liaison with the Council's SASG.

SASG develops and maintains on a rolling basis a longer-term 'vision' of the capital investment requirements of the authority, together with the likely funding. It co-ordinates the development of the Corporate Asset Management Plan and other asset management plans and oversees the Capital Maintenance Strategy. It also provides recommendations and options for future capital program priorities.

SASG will carry out a priority assessment of all schemes included in the five year capital programme, balanced against an evaluation of risk and its integration into Council objectives. Results are fed to the Corporate Management Team, Executive Board and County Council, following full examination with Scrutiny Committees and other relevant stakeholders.

Corporate Management Team (CMT)

Recommend to Executive Board a prioritised 5-year Capital Programme.

Executive Board

To endorse the 5-year Capital Programme and its funding, and make recommendation for approval to County Council. To monitor the Capital Programme throughout the year.

Scrutiny Committees

Receive and scrutinise the quarterly capital expenditure/progress reports and to make recommendations to Executive Board.

County Council

Approve the five-year Capital Programme and its funding.

Project Managers

Authorise expenditure against budgets, monitor expenditure and income, reporting to Responsible Officers on performance against budgets.

Director of Corporate Services (Section 151 Officer)

Lays out the funding consequences of the five-year programme and the effect on the Prudential Indicators.

Head of Financial Services

Collates, estimates and reviews methods of financing the capital programme. Monitors the Council's Capital Programme during the year based on expenditure reports provided by the Responsible Officer or Budget Managers via DPWG. Advises Executive Board on potential overspends, under spends or slippages on individual schemes.

Departmental Management Team (DMT)

Considers departmental Business Plans put forward by DPWG and makes recommendations to SASG.

G. FUNDING STREAMS FOR THE CAPITAL PROGRAMME

This Strategy is intended to maximise the financial resources available for investment in service provision and improvement within the framework of the Medium Term Financial Plan. Whilst at the same time ensuring that each business case has a robust self-sustaining financial model that delivers on the wider outcomes of the strategy.

The main sources of capital funding are:

- Capital receipts – sale proceeds from the disposal of land and buildings which are restricted in their use by statute. They can be used to fund new capital expenditure or set aside to finance historic capital expenditure

- Government grants – the largest form of capital funding come from the Welsh Government
- Sums set aside from revenue – the Authority can use revenue resources / reserves to fund capital projects
- Direct revenue contributions – resources provided by the Authority’s revenue budget to finance the cost of capital projects
- Prudential borrowing – The Local Government Act 2003 sets the legal framework within which local government may undertake capital expenditure. The Act allows local authorities to raise additional finance (unsupported borrowing) for capital expenditure over and above that already provided by the Welsh Government. It is essential that an assessment is made as to whether the Authority can afford to service the debt within our own resource. This type of borrowing is subject to the requirements of the Prudential Code for Capital Expenditure.

H. OVERVIEW OF CAPITAL PROGRAMME (excluding HRA)

CAPITAL SPENDING BY DEPARTMENT:-	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Communities	9,014	2,800	2,550
Environment	11,890	10,456	13,865
Education & Children	36,381	27,820	16,518
Chief Executive	1,060	250	900
Regeneration	15,133	4,500	4,500
City Deal Projects	31,230	32,600	1,558
TOTAL	104,708	78,426	39,891

CAPITAL FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
External Funding	25,599	28,960	17,525
MEP Balances	0	5,750	4,000
Reserves	23,624	8,393	48
General Capital Grants	8,851	4,889	3,570
Revenue Contributions	600	600	600
Borrowing	36,404	28,334	12,648
Capital Receipts	9,630	1,500	1,500
TOTAL	104,708	76,426	39,891

I. DESCRIPTION OF MAJOR SCHEMES

Executive Board have set out their aspirations for Carmarthenshire in the document “Moving forward in Carmarthenshire: the next 5 years”. The capital programme has been developed and approved to support this vision for the future to become a reality.

Modernising Education

A modernising Education Programme which has seen over £200million invested to date, in the building of new schools and upgrading others, with a further commitment to fund future investments of £129million, is the flagship policy.

Health & Wellbeing

Improving the health and wellbeing of residents is a key aspiration and to this end we are committed to delivering:

- A new leisure centre for Llanelli as part of the Swansea Bay City Deal wellness village
- Developing Carmarthenshire as a national hub for cycling. Investments in the Towy Valley path, which will see the redevelopment of the old railway line from Carmarthen to Llandeilo as a walking and cycling resource, and further developments at the new closed road circuit in Pembrey, will complement the existing facilities at the Brechfa Forest and the velodrome in Carmarthen.

Agile Working

The implementation of a new agile working approach across the authority, in order to make the best use of resources, will enable redundant assets to be sold, raising income from capital receipts to fund strategic capital projects.

Cultural Heritage

A transformation plan is in place for the museum provision. Major refurbishment at the county museum at Abergwili, Parc Howard, Kidwelly Industrial Museum, and a new Museum of Speed at Pendine, together with a new county archive and storage facility at “Y Stordy” will ensure that our valuable culture learning and tourism resource is improved for residents and visitors and maintained for future generations.

Highways

The economic prosperity of our towns is enhanced by improvements to road infrastructure.

The new Carmarthen western link road will provide much needed improvements to traffic flows, access to the new S4C headquarters at “Yr Egin” and development opportunities for new housing and retail.

The Cross Hands economic distributor road coupled with associated developments at the Cross Hands strategic employment site will boost the economy in the Gwendraeth Valley.

The development of the Ammanford distributor road will improve traffic flows and enhance retail investment opportunities.

Digital Transformation

A commitment to continue investment in ICT coupled with a digital transformation programme aims to ensure that Carmarthenshire services are fit for purpose in the digital age.

Housing

The Carmarthenshire Home Standards Plus (CHS+) Business Plan 2019-2022 details the Council’s priorities, plans and actions for council housing in Carmarthenshire for the future years. The plan covers all housing services and assets in the Housing Revenue Account (HRA). It sets out the objectives of the CHS+ and what this means for tenants and leaseholders across a range of housing activities. The CHS+ is 100% compliant with the Welsh Government’s own standard of social housing quality, the ‘Welsh Housing Quality Standard’ (WHQS). Against a background of the borrowing cap being lifted by central government for local authority HRA borrowing, Carmarthenshire is committed to deliver 1,000 more affordable homes by 2021, and is more than half way through this objective. The Council is developing a 10 year Housing Transformation Master Plan which will “play a pivotal role in not only developing additional affordable homes but will allow us to significantly contribute to key Council developments and regeneration initiatives to grow the economy across the County.”

In addition the Council plans to continue to invest over £45m in maintaining tenants’ homes over the next three years.

A local housing company, Cartrefi Croeso, was recently established with the aim of realising new opportunities, to offer families an alternative to social housing by delivering a mix of new affordable homes for sale or rent, and to take advantage of the commercial skills of local organisations.

The Council recognises the importance of strategic asset management in providing the foundation for its investment plans so within the CHS+ Business Plan has highlighted two key themes for future investment. These are ‘investing in our homes and the environment’ and ‘providing more homes

J. HRA CAPITAL SPENDING AND FUNDING

CAPITAL SPENDING TO:-	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Maintain the standard	10,638	8,725	9,399
Support Tenant and Residents	4,002	5,523	4,809
Provide more affordable homes	15,452	15,952	13,000
Support the delivery of CHS+	786	558	562
TOTAL	30,878	30,758	27,770

CAPITAL FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Welsh Government Grant-MRA	6,190	6,190	6,190
Housing Finance Grant	3,452	3,452	0
External Borrowing	21,236	21,116	21,580
TOTAL	30,878	30,758	27,770

K. TREASURY MANAGEMENT

The Council produces a Treasury Management Policy and Strategy which is approved by full Council annually as part of the budget setting process. There are close links between the Capital Strategy and Treasury Management Strategy.

The capital programme determines the borrowing need of the Council, essentially the longer term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

L. PRUDENTIAL INDICATORS

Under the Local Government Act 2003 and the Prudential Code for Capital Finance in Local Authorities (revised in 2017), local authority capital spending and its borrowing to fund that spending is limited by what is affordable, prudent and sustainable. The Prudential Code sets out a number of indicators that enables the authority to assess affordability and prudence.

These indicators are included in the annual Treasury Management Policy and Strategy

M. COMMERCIAL ACTIVITY

Our commercial portfolio consists of a variety of asset types, namely: Retail Units, Industrial Estates, Farms, Ground leases and Provision & livestock Markets. The portfolio generates revenue through rental receipts with opportunities to enhance income through rent reviews and renewals depending on the terms of each agreement. The Council has 20 Industrial estates located around the County with a total of around 400 units, together with 26 farms, 2 Provisions markets and 3 Livestock Markets. There are 104 Ground leases and Retail units (other than those forming part of the provisions markets).

In addition to generating a commercial return the portfolios meet corporate objectives of encouraging and supporting business and employment development, rural initiatives and town centre regeneration. In many instances the support of these broader aims is as important and income generation, and it's the Council's role to balance commercial returns with economic development objectives and corporate priorities.

Each portfolio will be managed uniquely taking into account its particular objectives, however, the underlying principle is that the Council makes the best use of its resources by increasing returns wherever possible, taking on board wider corporate priorities.

N. RISK APPETITE

Risk appetite can be thought of as the amount of risk an organisation is willing to accept, tolerate or be exposed to, in pursuit of its strategic and organisational objectives. The Council recognises that its appetite for different types of risks will vary and needs to reflect both its capability and its ability to exercise control.

By virtue of its statutory responsibilities for public services and associated functions the Council often has limited choice in whether or not to accept or tolerate risk. Clearly there are some types of risks where the Council's tolerance will be extremely low, or risk averse, for example, those that could:

- Endanger the safety of service users, employees, members or the general public
- Damage the Council's reputation or financial standing
- Lead to breaches of laws and/or regulations
- Threaten the future operations of the Council.

In some circumstances, the Council is willing to accept a different level or type of risk in pursuit of its strategic objectives. For example, capital schemes typically invoke risks such as achievement of timescales and financial targets, management of contractors and satisfaction of service requirements.

In other areas, the Council's appetite for risk has evolved in response to the changing and challenging environment in which local government now operates.

For example, in response to reductions in central government funding, the Council has been willing to consider commercial income generating ventures and invest to save proposals in addition to service reductions and efficiencies to secure financial stability.

It is not possible to articulate the Council's appetite for every form of risk it may encounter or to predetermine which risks are acceptable or not acceptable. Instead, this strategy aims to inform and strengthen the decision making process, to ensure that:

- Risks, as well as benefits and opportunities, are always considered, identified and reported
- Risks are assessed and recorded consistently, in accordance with the Council's risk management methodology
- Proposals which are likely to involve higher or more challenging levels of risk, such as creation of new partnerships, investments in major projects, or commercial activities, are subject to a robust and detailed risk appraisal process
- Risks which are likely to impact the achievement of one or more corporate objectives or to carry significant financial implications are escalated to the senior management team and the Executive Board for review and approval.
- Exposure to risks for which the Council's tolerance is low, such as the examples given above, is minimised.

O. KNOWLEDGE AND SKILLS

The Capital Programme and Treasury Management Strategy are managed by a team of professionally qualified accountants with extensive Local Government finance experience between them. They all follow a Continuous Professional Development Plan (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.

The Council's Section 151 Officer is the officer with overall responsibility for Capital and Treasury activities and views the strategy to be prudent and affordable and fully integrated with the Council's Medium Term Financial Plan, Treasury Management Strategy and other Strategic Plans.

All the Council's commercial projects have project teams from all the professional disciplines from across the Council and when required external professional advice is taken.

Internal and external training is offered to members on an annual basis to ensure they have up to date skills to make capital and treasury decisions. A register is also kept on member attendance. The Council also involves members at a very early stage of a project's life cycle.

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**EXECUTIVE BOARD
4TH FEBRUARY 2019**

**Housing Revenue Account Budget 2019/20 to 2021/22 and
Housing Rent Setting for 2019/20**

RECOMMENDATIONS / KEY DECISIONS REQUIRED:

That Executive Board consider the following Carmarthenshire Homes Standard Steering Group recommendations and recommend to County Council:

1. To increase the average housing rent as per the WG Interim Social Housing Rents Policy.
 - a. Properties at target rents will increase by 2.4%
 - b. Those rents above target are frozen until such time that they meet the target.
 - c. This will produce an increase on the average housing rent of 2.4% or £2.05

This will produce a sustainable Business Plan, maintain CHS+, resource our Affordable Homes programme and is supported by the CHS+ Steering Group.

2. To maintain garage rents at £9.00 per week and garage bases at £2.25 per week.
3. To apply the service charge policy to ensure tenants who receive the benefit from specific services pay for those services.
4. To increase charges for using our sewerage treatment works in line with rent increases.
5. To approve the Housing Revenue Account Budget for 2019/20 (with 2020/21 and 2021/22 being soft budgets) as set out in Appendix B.
6. To approve the proposed Capital Programme and applicable funding for 2019/20 and the indicative spends for the future years 2020/21 to 2021/22 as set out in Appendix A.

REASONS:

To enable the Authority to set its Housing Revenue Account Budget and the Housing Rent levels for 2019/20.

Relevant scrutiny committee to be consulted Yes

Exec Board Decision Required Yes

Council Decision Required Yes

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr David Jenkins (Resources)
Cllr Linda Evans (Housing)

Directorate: Corporate Services

Name of Director: Chris Moore

Report Author: Andrea Thomas

Designations:

Director of Corporate Services

Group Accountant

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**EXECUTIVE SUMMARY
EXECUTIVE BOARD
4TH FEBRUARY 2019**

**Housing Revenue Account Budget and Housing Rent
Setting for 2019/20**

This report has been prepared in conjunction with officers from the Communities Department and brings together the latest proposals for the Revenue and Capital Budgets for the Housing Revenue Account 2019/20 to 2021/22. The report has been presented to the Community Scrutiny Committee on the 23rd January 2019 as part of the budget consultation process and the Executive Board will consider any views expressed by that Committee when setting the Budget and Housing Rents for 2019/20.

The report has been prepared reflecting the latest proposals contained in the Housing Revenue Account (HRA) Business Plan, which is the primary financial planning tool for delivering the Carmarthenshire Homes Standard *Plus* (CHS+) for the future. The proposed investment within the current business plan delivered the CHS by 2015 (to those homes where tenants agreed to have work undertaken), provides investment to maintain CHS+ and continues investment for our Affordable Housing Commitment.

The report also details how rents will increase for 2019/20:

- Appendix A provides the proposed Capital Programme for 2019/22.
- Appendix B of this report provides the proposed Revenue Account Budget for 2019/22.

The HRA budget for 2019/20 is being set to reflect:

- Interim Social Housing Rent Policy set by Welsh Government (WG)
- Proposals contained in the Carmarthenshire Homes Standard *Plus* (CHS+)
- Affordable Homes Delivery Plan
- Removal of the HRA Borrowing Cap (recently agreed by WG)

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Chris Moore

Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

FINANCE

The report details the HRA proposals to be considered by Executive Board. If the proposals are agreed the budget for the HRA will be set for 2019/20 with an expenditure level of £38M. The average rent will increase from £85.52 to £87.57 (2.4% or £2.05).

The proposed Capital Programme will be £30.9M for 2019/20, £30.8M for 2020/21 and £27.8M for 2021/22.

Physical Assets

The capital programme continues the works to bring the housing properties up to/maintain the Carmarthenshire Home Standard+ as per the 30 year business plan.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Chris Moore

Director of Corporate Services

1. Local Member(s) - Not applicable
2. Community / Town Council – Not applicable
3. Relevant Partners - Not applicable
4. Staff Side Representatives and other Organisations – Not applicable

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Social Housing Rents Policy		Financial Services, County Hall, Carmarthen
30 year Housing Business Plan		Financial Services , County Hall, Carmarthen

REPORT OF THE DIRECTOR OF CORPORATE SERVICES

EXECUTIVE BOARD

4th FEBRUARY 2019

HOUSING REVENUE ACCOUNT AND HOUSING RENT SETTING 2019/20

- REVENUE AND CAPITAL

DIRECTOR & DESIGNATION.	DIRECTORATE	TELEPHONE NO.
C Moore Director of Corporate Services	Corporate Services	01267 224120
AUTHOR & DESIGNATION	DIRECTORATE	TELEPHONE NO
A Thomas Group Accountant	Corporate Services	01267 228742

1. INTRODUCTION

1.1. This report explains the proposed 2019/20 Housing Revenue Account (HRA) budget for both revenue and capital. It has been prepared in conjunction with officers from the Communities Department. The Community Scrutiny Committee considered the HRA budget on 23rd January 2019 as part of the budget consultation process. A verbal update will be given to the Executive Board during the meeting.

1.2. The HRA budget for 2019/20 is being set to reflect:

- Interim Social Housing Rent Policy issued by Welsh Government (WG) 12/12/2018
- Proposals contained in the Carmarthenshire Homes Standard *Plus* (CHS+)
- Affordable Homes Delivery Plan
- Removal of HRA Borrowing Cap which has recently been agreed by WG.

1.3. The HRA budget is prepared to maintain the CHS(+) Business Plan, deliver our affordable homes aspirations and manage and maintain our

homes on a daily basis. As a ring fenced account this expenditure is balanced by income primarily generated through rents charged to tenants. Supporting the CHS(+) Business Plan is a 30 years financial model which is submitted to and scrutinised/approved by WG annually (as part of the Major Repairs Allowance application).

Carmarthenshire County Council along with the other 10 local authorities (LAs) in Wales who retained their Housing Stock, exited the Housing Revenue Account Subsidy (HRAS) system on 1/4/15.

Part of the agreement to exit included LAs with retained stock were required to adopt the new Social Housing Rents Policy set by the WG. It aimed to develop a coherent and consistent rent policy framework that would apply to all social landlords, reflect local variations in affordability and housing market values, providing for a more equitable distribution of rents for social sector tenants across Wales, while at the same time ensuring the viability of individual social landlords. County Council approved the implementation of the policy on 24/02/15. This policy provided consistency for 5 years but ended in 2018/19. WG have provided an interim policy for 2019/20 while they await the results of the Affordable Housing Supply Review. This should result in the development of a new policy due for implementation in 2020/21.

1.4 Capital investment

A capital investment of £231m has been undertaken to deliver the CHS+ by 2015. This included £117million of unsupported borrowing. This investment was being funded by Major Repairs Allowance received from the WG, capital receipts from the sales of land and dwellings, HRA revenue funding, external grants and borrowing. This ensured the delivery of work programmes to all our tenants homes (with the exception of where the work was declined by tenants). Since achieving the CHS, a further £33M will have been spent on maintaining the standard and £20M on providing additional affordable homes in the HRA by the end of 2018/19.

The (CHS+) Business Plan 2019-22 highlights the approach that will be taken over the next three years and will be presented by the interim Head of Homes and Safer Communities in this meeting. It includes further investment over the next 3 years of £45million to maintain the CHS+ and £44million for our Affordable Homes programme. This will be supported by an on-going cost certainty exercise to ensure our investment is targeted to maintain the CHS+ and deliver our Affordable Homes targets.

The timing and method of sale of HRA land is being kept under review to ensure that receipts are maximised to support the Business Plan. It is recognised that CHS+ supports the building of new council homes and utilising existing Council land for future housing opportunities is a key influence in whether the land is sold or retained, depending on housing demand for housing within that area.

The profile of capital expenditure required to maintain the CHS+ and invest in affordable homes is detailed in appendix A. The plan is extremely sensitive to change and is currently being fully reviewed every 6 months, with ongoing monthly monitoring to identify any potential issues.

2. BUSINESS PLAN ASSUMPTIONS

2.1. There are many assumptions within the Business Plan, including future rental levels, interest rates, inflation, pay awards etc. Business Plan guidance from the WG (received 21/12/18 for 2019/20) requires submission of a viable plan by 29/03/2019.

Underpinning the CHS(+) Business Plan is the 30 year financial model which has many assumptions including:

- **Rents** The WG Interim Social Housing rents policy allows local authorities within their target rent band to increase rent by CPI only (the County Council is currently marginally within the target rent band). The increase in target rent for 2019/20 has been notified as 2.4%.
- **Major Repairs Allowance (MRA)** is a grant from WG which is provided to support our works in maintaining the standard and is audited annually. This has not been increased for future years, but has been varied for changing stock numbers. Our MRA is estimated to be £6million for 2019/20.
- **Capital Receipts** We have suspended our Right to Buy for tenants so there are no planned receipts from sales of houses. We expect receipts from the sale of land in the current year to be £75k, which can be used to fund capital expenditure. The programme of land sales was re-profiled in 2016 with fewer sales planned and none for the next two years. This strategy allows us to consider what is required for our Affordable Homes ambitions.
- **Void Loss** incurred on dwellings currently set at 2.9% in line with current performance. This has changed from 2018/19 due to the decision not to let specific properties while strategic plans are developed.
- **Central Support Costs** are based on services received by departments, these have been validated accordingly.
- **Stock Numbers** have been updated based on affordable homes delivery plan.
- **Interest on Balances** is estimated to be £102k based on an interest rate of 0.6% (average interest earned).

2.2.

Members will be aware as part of the HRAS exit agreement in 2015, Local Authorities were required to agree a Borrowing Cap, which was a requirement put in place by the UK Government. This restricted what a

Local Authority could borrow in respect of the HRA, for this Authority the limit was set at £228M. The minister for Housing and Regeneration wrote to LA's 29/10/2018 detailing that the Chancellor of the Exchequer had confirmed that the removal of HRA borrowing caps applied to Wales as well as England. This is a significant change in policy designed to encourage LA's to build at pace and scale and to deliver their affordable homes ambitions. This places a responsibility on LA's to develop Business Plans which are financially sustainable as well as ambitious. This has led to a review of how we fund our capital investment programme to release additional resources in a prudent manner.

However, although the borrowing cap has been released, it should be noted that there is a significant responsibility on the County Council to ensure any borrowing for the HRA is sustainable, prudent and affordable within the HRA financial business plan.

As most of the schemes delivering Housing projects have a significant lead in time, there will be an ongoing review of what is needed to maintain CHS+ and deliver our Affordable Housing ambitions, which will utilise the borrowing available as we develop our plans.

3. EXPENDITURE

The expenditure levels in the Business Plan have been set in anticipation of the Business Planning guidance.

Maintenance and Stock Improvement

Revenue repairs and maintenance expenditure is forecast to be £10.3million in 2019/20. This is an increase on the 2018/19 budget (£9.5million) which reflects local building costs, forecast outturn for 2018/19 changes in stock numbers and additional revenue costs relating to void properties.

The capital programme provides resources to:-

- maintain our stock to the CHS+ (including carrying out improvements to previously declined properties)
- deliver our Affordable Homes commitment

Maintain our Stock

For 2019/20 the capital programme to maintain the CHS(+) is £15.4million. This gives an overall spend of £25.7million on stock improvement and

maintenance (the total for 2018/19 was £20million). This includes increasing capital resources available for works relating to major voids (£0.8million), structural works on estates (£0.7million), roofing works (£0.3million), investment in sheltered schemes (£1.7million), risk reduction measures (£0.25million) and sewerage treatment works (£0.19million).

Affordable Housing Commitment

WG have indicated the availability of Housing Finance Grant (HFG2) funding for new affordable housing. This will provide £6.9million extra funding for the county, which is planned as part of the 5 year programme. The anticipated funding will be provided as a revenue source, requiring the authority to borrow the money and WG repaying the capital charges. Further clarification on how the resources will be given to LA's is outstanding from WG. We have set aside £44million over the next three years as part of the capital programme to increase the supply of affordable homes. Within 2019/20 £15.5million has been identified for the Delivery Plan (including development costs).

The capital programme and funding sources for this programme up to 2021/22 are detailed in Appendix A.

Validation

The proposed Business Plan includes the following validations for 2018/19, which is in line with the proposed budget strategy:

- general payroll costs are +3.5% (average) with a greater uplift on the lower pay bands (as per the current national employers pay offer).
- general inflation has been accommodated at +2.4%
- Electricity, gas & oil at +5%.
- Increased pension costs from 17.8% to 18%

Capital Financing and Subsidy

The capital financing costs reflect the borrowing requirement inclusive of the exit from HRAS.

Details of the budget for Housing Revenue Account for the period up to 2021/22 is shown in Appendix B.

4. INCOME

4.1. Previously we have applied the WG Social Housing Rent Policy to progress to the mid-point target rent (County Council approved on 24/02/15). This policy ended in 2018/19.

A one year policy of maximum of CPI only has been issued by WG for 2019/20, with no discretion to apply 'progression' for those tenants below target rents if an LA's current average rent is within the target rent band. Rent increases could be set at lower than 2.4% but as there is no certainty over future rent levels applying the interim policy seems the most prudent approach for 2019/20. Setting at a lower level than 2.4% rent increase will also impact of the current proposed Business Plan.

Carmarthenshire's current average rent is £85.52 per week, which leaves us between the low-end WG target rent level of £85.27 and the mid-point target £89.76. Housing Association rents in Carmarthenshire average £91.29 for 2018/19. In the private sector median rents for 2 bedrooms are £106 and 3 bedrooms are £121 as at June 2018. At the present time there are 12 homes above target rent, 3186 homes below this level with the remainder at target rent.

When setting rents for 2019/20 the WG interim policy will need to be applied.

For those properties below and at target rent the increase will be:-

Consumer Price Index (CPI for September 2018) = 2.4%.

Those rents above target are frozen until such time that they meet the target, there are only 12 of these properties remaining. When a property becomes empty it is placed in the target rent band.

Based on applying the above for 2019/20 at 2.4% rent increase this would produce an average rent of £87.57 (increase of £2.05).

Details of the rent increases on individual households are below :-

Receive an increase of :-	2.4% increase
No increase	12
up to £1.00	17
£1.00 to £1.99	1,368
£2.00 to £2.99	7,692

9,089

Table 2 : No .of Householders affected by average increases.

Currently 38% of tenants are on full Housing Benefit (HB), 27% are on partial HB and 35% in receipts of no HB.

4.2. Target Rents for Carmarthenshire

Target rents and forecast rents for 2019/20 are set out below:-

	Houses and Bungalows (£)					Flats (£)				Bedsits (£)
	1Bed	2Bed	3Bed	4Bed	5+Bed	1Bed	2Bed	3Bed	4+Bed	
Target Rent (mid-point) 2019/20 as notified by WG	81.51	90.57	99.63	108.68	117.74	73.75	81.94	90.14	98.33	65.55
Actual Rent 2019/20 with 2.4% increase	79.80	88.66	97.52	106.38	115.26	72.18	80.22	88.23	96.27	64.17

WG policy rent band, 2019-20		
Low end	Mid point	High end
(£ per week)	(£ per week)	(£ per week)
86.67	91.23	95.79

Table 3 : Comparison of Forecast Average Weekly Rents to Target Rents over 52 weeks and Rent Bands

For Carmarthenshire our average target rent for 2019/20 is £91.23 (mid point) with the all Wales average being £96.00 .Carmarthenshire's 2018/19 actual rent is the 2nd lowest of eleven stock retaining authorities.

WG have advised LA's that a 2.4% increase should be the maximum applied in 2019/20, however for Carmarthenshire our target rents have only increased by 1.6% due to changes in indices. This restricts authorities at the high end of their target rents but does not affect Carmarthenshire.

The proportion of dwellings below target rents is 35% as a result of the £1.62 progression implemented last year and the target rent being charged as a result of properties becoming vacant. This was over 85% when we began the harmonisation process.

4.3. Garage Rental Income

The HRA currently receives a net rental income of £125k per annum. This equates to a weekly charge of £9.00 per week. It is proposed that garage rents are maintained at £9.00 per week. Garage bases will similarly remain at £2.25 per week.

4.4. Service and Heating charges

Service charges are calculated in line with the policy adopted in 2011. These charges are made to cover the additional services we provide as a landlord that are not covered within the rent and to ensure that all communal areas are kept in a good condition.

These charges will vary annually as they are based on actual expenditure from the previous financial year. By implementing the Service Charge Policy we are ensuring that tenants who receive additional services pay for them in a fair and transparent way.

4.5. Sewerage Treatment Works

We have 15 pumping stations serving approx. 154 properties, the cost of running and maintaining the stations falls on the HRA. We also have 8 cesspits. It is proposed for 2019/20 that current charges are increased as per our rent increase. In the meantime Officers are reviewing the future use and running of the Works as part of the Asset Management Plan.

4.6. Commission on Collection of Water Rates

In addition to the rent collection process we act as an agent on behalf of Dwr Cymru/Welsh Water, which generates an income of £400k in the form of commission. The implementation of the HelpU scheme for tenants has reduced this commission receivable by approximately £100k. The HelpU tariff assists tenants with low household income (less than £15k per annum) by reducing their water bills by nearly £200 per annum.

4.7. Universal Credit

The roll out of universal credit will impact on tenants and residents of Carmarthenshire. From a business plan point of view, evidence from the pilots has shown that rent arrears will increase in the short to medium term and we have allowed for this within this plan in terms of our bad debt provision. Currently there is a working group of officers from communities department, corporate services as well as department of works & pensions and job centre plus mapping the potential impact and how to best support our tenants. Also officers are investigating the information technology solutions on the market to aid welfare reform impact analysis, poverty tracking and aiding front line staff to give best advice.

The CHS+ Business Plan presents more detail on this, including the actions that are being undertaken to mitigate the impact for Council tenants.

5. BALANCES

5.1. A rental increase is set at 2.4% the overall proposed budget will result in a surplus on the Housing Revenue Account of £6.1million for the year. It should also be noted in Appendix B that balances are required to support the current strategy of funding our capital expenditure and continue to make our business plan affordable over a 30 year period.

6. PROPOSED RECOMMENDATIONS TO EXECUTIVE BOARD

- 1. To increase the average housing rent as per the WG Interim Social Housing Rents Policy.**
 - a. Properties at target rents will increase by 2.4%
 - b. Those rents above target are frozen until such time that they meet the target.
 - c. This will produce an increase on the average housing rent of 2.4% or £2.05

This will produce a sustainable Business Plan, maintain CHS+, resource our Affordable Homes programme and is supported by the CHS+ Steering Group.

- 2. To maintain garage rents at £9.00 per week and garage bases at £2.25 per week.**
- 3. To apply the service charge policy to ensure tenants who receive the benefit from specific services pay for those services.**

- 4. To increase charges for using our sewerage treatment works in line with rent increases.**
- 5. To approve the Housing Revenue Account Budget for 2019/20 (with 2020/21 and 2021/22 being soft budgets) as set out in Appendix B.**
- 6. To approve the proposed Capital Programme and applicable funding for 2017/18 and the indicative spends for the future years 2017/18 to 2021/22 as set out in Appendix A.**

Department for Communities
Homes and Safer Communities
HRA - Capital Programme Budget 2019/20 - 2021/22
Appendix A

CAPITAL SPENDING TO:-	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Maintain the standard:			
Internal works - kitchens, bathrooms, electrics, heating etc.	1,178	998	1,066
EWI, Render and Fascia (inc. gardens)	1,770	3,478	3,652
Roofing	1,292	1,086	1,140
Boiler replacements	680	563	941
Structural works - Estates and boundary walls (inc. identified structural works)	1,704	600	600
Voids and Major Works to homes	4,014	2,000	2,000
Support Tenant and Residents:			
Sheltered Scheme Investment(boilers)	499	714	0
Sheltered Scheme Investment	1,500	3,000	3,000
Adaptations	1,700	1,500	1,500
Environmental works	303	309	309
Provide more affordable homes:			
Housing Development Programme	15,452	15,952	13,000
Support the delivery of CHS+:			
Programme management	198	200	201
Stock condition information	150	100	100
Risk Reduction Measures	254	258	261
Sewerage treatment works & associated costs	184	0	0
TOTAL	30,878	30,758	27,770

CAPITAL FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Welsh Government Grant-MRA	6,190	6,190	6,190
Housing Finance Grant	3,452	3,452	0
External Borrowing	21,236	21,116	21,580
TOTAL	30,878	30,758	27,770

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Department for Communities
Homes and Safer Communities
Housing Revenue Account 2019/20 - 2021/22
Appendix B

REVENUE SPENDING TO:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Repair and maintain homes	10,288	10,623	10,897
Supervision and management	10,189	10,402	10,574
Support services e.g. legal and finance	1,620	1,620	1,620
Provision for Bad debts	585	770	1,110
Capital charges	14,941	15,822	16,770
TOTAL	37,623	39,237	40,971
REVENUE FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Tenant rents	41,390	42,150	43,863
Service charges	706	720	734
Interest received	102	136	168
Housing Finance Grant 2	124	247	247
Water rates commission	401	409	417
Grants / Other	1,001	898	913
TOTAL	43,724	44,560	46,342
HRA END OF YEAR POSITION:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Balance brought forward from last year	-14,002	-20,103	-25,426
HRA budgeted surplus (-)/ deficit (+)	-6101	-5,323	-5,371
Balance Carried Forward	-20,103	-25,426	-30,797

EXECUTIVE BOARD DATE: 4TH FEBRUARY, 2019

SUBJECT: **THE CARMARTHENSHIRE HOMES STANDARD PLUS (CHS+)** **Business Plan 2019-22**

Purpose:

- To explain the vision and detail of maintaining and improving the Carmarthenshire Homes Standard Plus over the next three years, and what it means for tenants;
- To outline how we can deliver transformational change and investment, and set even more ambitious affordable homes targets for the future;
- To confirm the financial profile, based on current assumptions, for the delivery of the CHS+ over the next three years; and
- To produce a business plan for the annual application to Welsh Government for Major Repairs Allowance (MRA) for 2019/20, equating to £6.1m.

Recommendations/Key Decisions Required:

- To confirm the ambitious vision of the CHS+ and the financial and delivery programme over the next three years; and
- To confirm the submission of the plan to Welsh Government.

Reasons:

- To continue our CHS+ vision to deliver what really matters to tenants.
- To continue to support tenants by maintaining and further improving the CHS+, with an overall investment of £45m over the next three years.
- To build on our successful Affordable Homes Plan by introducing a very ambitious Transformational Change and Investment Plan that will deliver over 900 Council homes over the next 10 years, with a total investment of nearly £150m. This would be the biggest increase in affordable housing in the County since the 1970's. The investment, within the next three years, will be nearly £44m.
- To make members' aware that the delivery of the Plan is dependent on an average rent increase of 2.4% for 2019/20.
- To enable submission to the WG to access £6.1m of MRA for 2019/20.

Relevant Scrutiny Committee to be consulted: Yes – Community Scrutiny Committee –
23rd January, 2019

EXECUTIVE BOARD/COUNCIL/COMMITTEE:

Scrutiny Committee recommendations/Comments:

- Resolved to recommend to the Executive Board that the Carmarthenshire Homes Standard Plus (CHS+) Business Plan 2019-22 be endorsed.

Executive Board Decision Required: Yes- 4th February, 2019
Council Decision Required: Yes- 20th February, 2019

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:-

Cllr. Linda Evans (Housing Portfolio Holder) Cllr Hazel Evans (Environment Portfolio Holder) Cllr David Jenkins (Resources Portfolio Holder)		
Directorate: Communities Name of Head of Service: Jonathan Morgan Report Author: Angie Bowen	Designations: Acting Head of Homes and Safer Communities Acting Investment and Income Manager	Tel Nos./ E Mail Addresses: JMorgan@carmarthenshire.gov.uk (01267) 227285 AnBowen@carmarthenshire.gov.uk (01554) 899292

EXECUTIVE SUMMARY
EXECUTIVE BOARD
DATE: 4TH FEBRUARY, 2019

SUBJECT:
THE CARMARTHENSHIRE HOMES STANDARD *PLUS* (CHS+)
Business Plan 2019-22

What is the purpose of the plan?

- To explain the vision and detail of the Carmarthenshire Homes Standard Plus over the next three years, and what it means for tenants;
- To outline how we can deliver transformational change and investment, and set even more ambitious affordable homes targets for the future;
- To confirm the financial profile, based on current assumptions, for the delivery of the CHS+ over the next three years; and
- To produce a business plan for the annual application to Welsh Government for Major Repairs Allowance (MRA) for 2019/20, equating to £6.1m.

What is the context?

Since 2006, we have been working to deliver the published work programmes to our tenants' homes. We called this the CHS+ and achieved this to homes where tenants agreed to have the work done during 2015. We fully acknowledge, however, that this is not the end of the journey and want to do more. This plan sets out how we will do this, confirming the financial and delivery programme over the next three years.

Our commitment to CHS+ remains firmly on track, building on what has already been achieved and trying to be as ambitious as we can.

We continue to challenge and review the stock information we hold and how it is collated. The importance we place on our strategic asset management arrangements enables us to provide the foundation for our investment plans. It also confirms the future expenditure needed to maintain the standard, and what money will be available for our affordable homes delivery programme. Nearly £45m has been set aside to maintain the CHS+ for existing tenants over the next three years.

By taking opportunities, we can also deliver transformational change and investment, and set even more ambitious affordable homes targets for the future. This would be the biggest increase in affordable housing in the County since the 1970s. We plan to deliver 900 new Council homes, with a total investment of nearly £150m over the next 10 years.

We have committed nearly £44m over the next three years to get this ambitious programme started. This programme will also align with our existing plans, Cartrefi Croeso delivery and

wider regeneration initiatives across the County.

This year, we are also proposing that keep the average rent increase for 2019/20 to **2.4%**.

Supporting Tenants and Residents

As part of the CHS+, we continue to support tenants and residents in everything we do. We believe we should give our tenants the opportunity to influence decisions about their homes, the area they live in and ensure the services they receive are value for money. Tenants have told us that they would like us to focus on providing more advice and support for them with bills and benefits, which will help them to maintain their home. As a result:

- We will change the current structures of tenant involvement to encourage more involvement from under-represented groups. We will also improve systems for gathering and acting on tenant feedback, and continue to use 'Planning for Real' as a method of engagement and consultation on estate issues. We plan to increase the use of digital services, survey our tenants (STAR Survey) to establish baseline information, re-survey every three years and periodically on single issues;
- We will focus on providing more advice and support to tenants in managing their monthly budgets. We will also deliver a range of support and services to help tenants cope with the cultural change of Universal Credit, and mitigate the impact as much as we are able;
- We will continue to expand the pre-tenancy service to provide support and training to applicants and potential new tenants before a tenancy begins. We will also focus on pre-tenancy work to minimise rent arrears, maximise income for both us and tenants and improve tenancy sustainability; and
- We will continue to work with tenants to see what improvements they would like to see to CHS+ in the future.

Two key themes have been identified in terms of future investment. These are:

THEME 1- Investing in our Homes' and the Environment.

This plan confirms work that will be undertaken to maintain the standard and what our key principles are to support our future approach to managing the homes and gardens, land, garage areas and the environment. Over £45m will be invested.

We will:

- Make sure our stock information is as good as it can be, and fill in any existing gaps, in order that we know where we need to maintain and improve the CHS+;
- Continue to identify homes where tenants have refused part or all of the intended CHS+ works, and agree with them when works are to be programmed;
- Continue to review and update our annual work programmes based on evidence and need, only replacing components nearer to the time of failing and not time;
- Install low carbon technologies on a small number of our homes, and analyse the results in terms of costs, benefits to tenants and ease of use. This will enable us to

better understand the potential for helping tenants to reduce their energy bills, improve the comfort of their homes and reduce carbon emissions to levels set by Welsh Government;

- Continue to make void properties available for letting as quickly as possible, minimising rent loss and maximising the housing available, whilst striving to meet CHS+;
- Continue to provide a customer focussed responsive repairs service, which achieves high levels of performance, customer satisfaction and good value for money;
- Continue to provide homes better suited to tenants needs by:
 - investing in adapting homes;
 - understanding the future investment needs for our sheltered housing stock; and
 - completing option appraisals on sites that may need changing/ converting into homes that can better meet housing need.

THEME 2 - Providing more Homes.

We are well on our way to delivering our initial 1,000 additional affordable home target by 2021 through our current planning- but we want to do more!

As has been stated, we plan to further increase the supply of affordable housing, building on what has already been achieved.

Over the next three years, an additional 250 Council homes will be built with an investment of nearly £44m. This programme will further support the current earmarked developments of the recently established housing company 'Cartrefi Croeso'. The Company will not only deliver a mix of new affordable homes for sale or rent, but will also offer families additional choices as alternatives to social housing.

Through careful financial planning in terms of borrowing we have been able to open up some exciting opportunities for Carmarthenshire in terms of building more Council homes. This will enable the Council and its housing stock to play a pivotal role in not only developing much needed social housing but also delivering wider Council priorities to grow the economy.

As a result, this plan will now be able to:

- Continue to provide a range of solutions to deliver more affordable homes, including building new homes, purchasing private sector homes to increase the Council's housing stock in the areas of greatest housing need; and managing private sector homes through the 'Simple Lettings Agency';
- Align our 10 year ambitious new build programme with Cartrefi Croeso plans to develop new build homes, in order to maximise future opportunities; and
- Use our new build programme to further support wider regeneration initiatives, including rural areas.

On a wider scale we also want to maximise the impact of the Swansea Bay City Region Deal 'Delivering Homes as Power Stations' project. We see this as a huge opportunity for Carmarthenshire as the project will create a new industry in the region which will develop and build innovative energy technologies.

Finally we set out what the key assumptions are to make sure the plan remains viable, what we will spend the money on and how it is funded.

Recommendations:

- 1. To confirm the ambitious vision of the CHS+ and the financial and delivery programme over the next three years.**
- 2. To confirm the submission of the Plan to Welsh Government for the 2019/20 MRA Application.**

DETAILED REPORT ATTACHED?

**YES – Carmarthenshire Homes Standard PLUS (CHS+)
Business Plan 2019/2022**

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: **Jonathan Morgan**

Acting Head of Homes and Safer Communities

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	NONE	YES

1. Policy, Crime and Disorder and Equalities

The CHS+ will act as the framework for policy development across housing services delivery and will contribute to wider agendas and programmes.

2. Legal

The Housing (Wales) Act 2014 sets out our statutory duty to maintain the Welsh Housing Quality Standard (our version is the Carmarthenshire Homes Standard *PLUS*) in our existing stock.

3. Finance

Delivering the CHS+ will continue to present significant financial challenges and risks to the County Council.

We have spent over £240m to achieve and maintain the standard, with nearly £120m of this spend has been funded through a prudential borrowing programme.

Through careful management, the financial model remains viable to not only maintain the CHS+, but also deliver more affordable homes. A summary of costs over the next three years is included in the plan.

A general rent increase of 2.4% for 2019/20 is also assumed in the plan.

4. Risk Management

The CHS+ programme is identified as moderate risk in the Council's Risk Management Plan. A risk management plan has been developed to mitigate and review all risks associated with the programme.

Failure to deliver a viable Business Plan to Welsh Government by the end of March 2019 will mean the MRA of £6.1m for 2019/20 being withdrawn.

5. Physical Assets

The CHS+ will involve the management, maintenance and improvement of the Council's housing stock. This will be carried out within the context of our asset management principles which are defined within the plan. Any decision to acquire, convert or dispose of homes, land and/or garage areas will be considered in line with these principles.

This plan will also result in an increase in the Council housing stock through the new build and purchasing homes in the private sector.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Jonathan Morgan Acting Head of Homes and Safer Communities

1. Scrutiny Committee – Community Scrutiny Committee was consulted on 23rd January, 2019.

1. Local Member(s)

n/a

2. Community / Town Council

n/a

3. Relevant Partners

Engagement with stakeholders and partners has taken place in order to develop this Plan, including stakeholder events, 1-2-1 interviews and various meetings.

4. Staff Side Representatives and other Organisations

Engagement with tenants, has taken place in order to develop this Plan, including stakeholder events, 1-2-1 interviews, visits and events in communities, and various meetings.

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of document	File Ref No.	Location that the file is available for public inspection
Carmarthenshire Homes Standard PLUS (CHS+) Business Plan 2019/2022	Housing General Files	Council website- Democratic Services

*Carmarthenshire
Homes Standard
PLUS (CHS+)
Business Plan
2019/2022*

February 2019

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Foreword by our Executive Board Members

We are pleased to introduce our Carmarthenshire Homes Standard *PLUS* (CHS+) Business Plan 2019-2022, which sets out our priorities, plans and actions for council housing for the coming years.

Through careful financial planning, this Plan will not only allow us to continue to maintain the standard but will provide a real boost to our ambition to build even more affordable homes.

We plan to continue to invest over £45m in maintaining tenants' homes over the next three years. We know from the recent publication of our major Health Impact Study, in conjunction with Cardiff and Swansea Universities, that our investment has had a really positive impact on our tenants' health and well-being. We will continue to prioritise this investment.

Also, three years into our promise to deliver 1,000 more affordable homes by 2021, we have already passed the half-way mark, with nearly 650 households benefitting from the Council's £25million investment to provide more good quality low-cost homes.

Demand for social housing remains high, but we are aware that there are information gaps about housing need, particularly rural parts of the County. Our recent needs survey has resulted in over 5,000 responses and will help us to further plan the right type of homes in the right areas.

Last year we also established Cartrefi Croeso, our local housing company, to open up new opportunities, offer families an alternative to social housing and to take advantage of the skills of local companies. We are hoping the first development will be on site in spring 2019.

We want to do more, however. We are developing a 10 year council housing new build programme that will enable us to play a pivotal role in developing additional affordable homes and support wider Council priorities. Nearly £44m has been set aside for the next three years and it is planned to invest nearly £150m and deliver 900 new council homes over the next ten years, in addition to what is already planned. It will also allow us to not only align with Cartrefi Croeso delivery but significantly contribute to key Council developments and regeneration initiatives to grow the economy across the County.

Finally, we know that the introduction of Universal Credit (UC) last year presented a cultural change for many tenants in managing their monthly budgets. This is going to be a major challenge for us in terms of future income and, more importantly, for tenants. We have recognised this by implementing an action plan to reduce the impact as much as possible for tenants across all tenures.

These are exciting times, but we know that this is also a time of uncertainty for our tenants.

As a result, we have been able to keep the rent increase for 2019/20 at an average of 2.4%, whilst still maintaining the standard and building more homes. This achievement should not be underestimated.

We are so proud to be delivering on our promise to local families, and we are very confident that we can do more. This will be achieved by continuing to work together and making a real difference in our communities and to the local economy.

Linda Davies Evans Executive Board Member for Housing	Cllr Hazel Evans Executive Board Member for Environment	Cllr David Jenkins Executive Board Member for Resources
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Introduction

Introduction

The Welsh Housing Quality Standard (WHQS) is the Welsh Government (WG) standard of social housing quality. The WHQS was first introduced in 2002 and aimed to ensure that all homes are of good quality and suitable for the needs of existing and future residents. WG set a target for all social landlords to improve their housing stock to meet the WHQS as soon as possible, but in any event by 2020.

Carmarthenshire's tenants developed their own standard, called the CHS+, and this was successfully delivered in 2015, well in advance of the WG timescales.

Purpose of the CHS+ Plan

The purpose of this Plan is to explain the vision and detail of the CHS+, and what it means for tenants. It also confirms the financial profile, based on current assumptions, for the delivery of the CHS+ over the next three years. The approved Plan enables us to submit our annual application to WG for Major Repairs Allowance (MRA) for 2019/20, which amounts to £6.1m.

Development of the CHS+ Plan

Tenants and stakeholders have been consulted through the Tenant Consultative Forum and by face to face interviews and their views taken into account in preparing this Plan. The Plan is updated annually taking into account these views, the latest stock condition information, updated financial information, WG Guidance and any revised Council policies.

All actions in this Plan will be monitored every two months by the CHS+ Steering Group. This group provides strategic direction and corporate leadership to ensure progress is made on the initiatives in the Plan. The CHS+ Steering Group is also responsible for monitoring progress, reviewing and managing the overall 30 year financial plan that supports our planned investment.

How this plan links with our corporate priorities, together with the overall governance structure is set out in Appendix A.

Achievements and Priorities

The previous CHS+ Business Plan 2018-2021 has achieved a number of notable successes over the last 12 months:-

2018/19 main achievements:

- Over £19m spent to maintain the CHS+ in tenants' homes;
- Over 240 additional affordable homes delivered during our third year of delivery;
- Over 530 adaptations completed, with over £1m being invested to ensure tenants' homes meet their needs;
- Over £285,000 spent on 35 Environmental Improvement Projects (plus £60,000 on improving garage plots, demolishing garages, clearing areas and creating car parking spaces);
- Managed improvements and lettings of 900 homes, including new homes added to our stock;
- Started development on two sites for 48 new affordable homes in Llanelli and Pembrey;
- Continued our time-banking initiative, Spice, with over 57,970 of total volunteer hours being given. Over 1,800 tenants and their family members took part;
- Housed over 40 households who have specific needs through our Accessible Housing Register (AHR);
- Introduced a Choice Based Letting scheme, Canfod Cartref, that gave tenants more choice and which will make tenancies more sustainable ;
- The findings of our Health Impact Study with Swansea University showed the positive impact on health of investing over £200m in tenants homes since 2007. This investment also brings social, economic and environmental benefits for all;
- Shortlisted for CIH Cymru Wales Housing awards recognising our work on improving tenants' homes;
- Over 250 people attended 23 comprehensive consultation events using "Planning for Real" to engage with residents of Tyisha ward in Llanelli;
- Taken on three apprentices in Property Maintenance;
- Re-let the gas servicing contract for tenant homes;
- Set up a new minor works framework with up to date Schedules of Rates to ensure value for money for housing repairs; and
- Started to realign our Property Maintenance section to improve arrangements for future lettings and maintenance of Council homes.

Roll out of Home Checker visits:

In 2018/19 we carried out basic checks to all Council homes (where we gained access) through servicing contractors, repair visits and tenancy support calls. As a result of these visits about 5% of homes were identified as requiring a more in-depth visit by a housing officer.

Some issues identified and attended to in terms of preventative maintenance, included:

- Leaking showers;
- Loose tiles and guttering;
- Broken windows;
- Window locks and handles not working;
- Plugs and sockets loose;
- Toilet leaks;
- Extractor fans not working;
- Damp; and
- Condensation.

The continuation of our Home Checker visits will enable us to identify specifically what help tenants want, such as support with Universal Credit and household budget management. This will enable us to plan for the future and identify preventative maintenance and component failure.

What did the tenants think of the service provided?

During 2018/19 we have continued to engage with tenants and other stakeholders in a number of ways. One of the key questions we asked during our Home Checker visit was “How happy are you with the service we provide?” The results are provided in Appendix B.

2019/20 priorities:

From carrying out this initial work on Home Checker we will:

- Continue with Home Checker and look at ways to improve how we capture data from the visits;
- Further improve our approach to preventative maintenance in next year’s CHS+ Business Plan;
- Develop and encourage tenants to take a proactive approach in maintaining their homes to a high standard;
- Make our services more effective and responsive by tailoring them more closely to the needs of our tenants;
- Help more tenants with a range of issues including saving money on fuel bills, budgeting and financial assistance and housing support; and
- Further develop our approach to tenant feedback in order that we analyse trends over time.

Health Impact Study

During 2018/19 we also published the results of our major health impact study (in conjunction with Swansea and Cardiff Universities funded through Public Health Research programme).

The findings of the study demonstrates that by bringing our housing stock up to CHS+ we are improving people's lives and well-being, achieving outcomes that will benefit generations to come. The study tracked tenants' health and well-being while we were carrying out the investment programmes to homes. We assessed the health outcomes for over 32,000 residents living in 8,558 Council homes, which were compared to a control group of residents who did not receive housing improvements.

The health evaluation results and study recommendations identified a number of key priorities:

- Preventative maintenance;
- Reducing the risk of trips and falls inside and out of homes;
- Making sure our homes are warm; and
- Improving air quality by installing extractor fans in kitchens and bathrooms.

We have used this information to update our development plans. Our CHS+ programme is addressing the findings raised in the report, particularly around energy efficiency by bringing homes up to CHS+ where the tenant had previously declined the works. The report itself encourages the adoption of the recommendations by local authorities around the UK and further afield.

The following sections will provide the context to, and detail of, what we plan to deliver over the next three years, including how we intend paying for it, the community benefits and verifying what we have done.

The importance of strategic asset management in providing the foundation for our investment plans, as well as the central role of supporting tenants and residents in everything we do, is also highlighted. Leading on from this, we will cover two key themes that have been identified in terms of future investment. These are:

- 1. THEME 1- Investing in our Homes' and the Environment.**
- 2. THEME 2 - Providing more Homes.**

Context

The CHS+ Business Plan

This Plan covers all housing services and assets in the Housing Revenue Account (HRA). It sets out the objectives of the CHS+ and what this means for tenants and leaseholders across a range of housing activities.

The Council has:

- Over 9,000 homes;
- Over 1,400 garages (including bases); and
- Areas of land.

Details of our housing assets and the profile of our tenants and applicants are provided in Appendix C.

This Plan confirms the delivery programmes of repair, maintenance and improvement, as well as setting the framework for the potential redevelopment of some of the most uneconomic stock. This is set in the context of maintaining our 100% compliance with WG's WHQS, and we will continue to do this through the CHS+.

This Plan demonstrates our commitment to sustained investment and shows how the investment in the existing stock is delivered, as well as an ambitious affordable homes programme. We have also ensured a balance of investment across the entire housing stock so that our capital and revenue spend is complementary, enabling tenants to receive best value services.

We will invest nearly £45m in our existing homes over the next three years. This is based on current assumptions, together with a three year revenue provision of £10m a year for planned and responsive repairs and maintenance. We have also identified a further £44m to build more Council homes, aligning with our wider delivery ambitions.

The delivery of the above investment, however, must be built on a robust approach to managing our housing assets.

Our approach to managing assets

Managing housing assets goes beyond just investing in good repair and improvements. Asset management is also about reviewing and potentially changing the asset base to end up with the right homes in the right location, supported by excellent, flexible services for our tenants. It must consider quality and value for money, particularly the whole life of a home and how running costs will affect tenants.

By applying an effective asset management strategy to our 9,000 plus homes, it will also enable us to meet our legal requirement of maintaining the CHS+ in the future.

Consequently our approach is underpinned by the following principles:

- Carrying out regular stock condition surveys to assess condition, use and required investment;
- A planned maintenance programme achieving value for money by replacing components such as kitchens and bathrooms based on need, not time;
- A regular cyclical maintenance programme for certain components in a home e.g. heating appliances, electrical upgrades and external painting;
- A continual programme of works to meet health and safety requirements e.g. asbestos removal and structural repairs ;
- A maintenance service to respond to unplanned failures in homes and to prevent deterioration in their condition, such as boiler replacements;
- An efficient and effective voids repair service, helping to quicken the repairs process and save money by carrying out CHS+ works when a home becomes empty;
- A programme of environmental estate improvements that is strategically targeted;
- A basic check to all homes on an annual basis through our existing visits;
- A more in-depth visit to homes where there are potential issues in terms of condition, tenancy or welfare issues;
- Continuing to invest in adapting homes to suit the needs of tenants;
- Understanding the future investment needs for our sheltered housing stock;
- Completing individual options appraisals if homes are no longer fit for purpose to determine the best course of action, including considering demolishing homes, or disposing of them;
- Completing options appraisals on sites that may need converting into homes that can better meet housing need; and
- Delivering the targets within the Affordable Homes Delivery Plan.

When considering the above we will:

- Engage with tenants, stakeholders and Members using new ways of participation and challenge;
- As far as is possible, meet tenants' aspirations and priorities;
- Maximise our assets and minimise liabilities;
- Seek value for money in all investment decisions and contract procurement;
- Comply with current and future regulations;
- Create good neighbourhoods for Council tenants and their neighbours; and
- Provide assurance to the Council's auditors and regulators that our housing service is well managed.

We fully recognise that in order to achieve the above we must ensure that:

- The right structures, skills, resources and capacity are in place to manage future programmes, procurement and contract management effectively;
- Robust stock condition information, data and analysis is in place to produce programmes of investment that will appropriately maintain and improve standards, as well as services to tenants;

- Our data is further enhanced and regularly validated by feedback from all programmed and cyclical repairs, and maintenance activities; and
- We complete our cost certainty exercise for our overarching 30 year financial plan.

Over the next 12 months we will continue to focus on ensuring that asset management resources, both people and systems, are challenged to make sure they are in the right areas for the future. Our joined-up approach will enable us to:

- Commence a rolling programme of stock condition surveys to verify our cost certainty business plan, identify gaps and provide independent verification;
- Understand why work has not been completed within the stock, such as when the tenant has requested that no work be carried out. These are called 'acceptable fails' (see Appendix D); and
- Review our asset management systems and strategy to ensure all stock is fit for both current and emerging needs.

Ensuring our assets are economical to maintain and meet our strategic objectives

Homes

Every year there are a small number of homes that need major work. Generally these are homes where the previous tenants have declined the CHS+ works, or where structural works are identified in tenanted homes.

Before committing to do the work we need to ensure that the level of expenditure, and the housing need can be demonstrated. This is important to avoid major investment being made in a home that could remain empty longer than we would expect. It is necessary to have a consistent approach, and this is known as an MSCA (Most Satisfactory Course of Action).

Similarly, when we identify a number of similar repair issues in homes, in a particular area, we will consider whole site appraisals. This enables us to gather whole life costs for our homes in a defined area so that we can consider longer term solutions. Where high investment is required and there is low demand for homes in the area, tenants, leaseholders and stakeholders will be involved in the option appraisal process.

Garages

We will continue to actively gather information on the types of agreements used and the condition of garages, in order to:

- Repair and maintain existing garages which are in-use and/or vacant. An assessment will be made, and if any are unsafe and need demolishing on health and safety grounds, we will:
 - Establish who uses garages and bases;
 - Standardise agreements and charges; and

- Consult on future options for garage sites. In areas where there is limited parking we would aim to replace any demolished garages with parking bays.

Land

We have areas of land across the County. As part of our commitment to affordable housing we have identified areas of land that could be used for development, prioritising those in areas of greatest need.

Where we have identified areas, however, which have no use and cost us to maintain we shall include them in a programme for sale. The receipts from sale contribute to maintaining the CHS+.

Sewer Treatment Works

We currently have 15 sewer treatment works and 8 septic tanks. Over the last 12 months we have reviewed the charging arrangements and monitored the ongoing maintenance of these facilities in order to consider future options and arrangements for all tenures. We will develop a programme and consult with residents on the future strategy for maintaining and charging for sewer treatment works.

Supporting Tenants and Residents

The commitment and support of our tenants' and Members' continues to be important to us to ensure that we maintain and improve on the CHS+ in the future.

Tenant and residents' engagement and communication

Tenant and community engagement has always underpinned the delivery of the CHS+, but we want to do more. We want to get better by engaging as widely as possible and maximising opportunities to help build stronger communities.

We asked TPAS Cymru to conduct an independent report into tenant participation and involvement with our tenants. As a result, we identified there was a lack of diversity and a low number of tenants who engage with tenant networks. These issues are not unique to Carmarthenshire and can be demonstrated across Wales.

We also believe we should give our tenants the opportunity to influence decisions about their homes, the area they live and ensure the services they receive achieve value for money. Our vision is:-

“To make it easy and inviting for tenants to get involved in shaping strategic decisions and improve services through meaningful involvement by ensuring residents have the relevant skills”.

In order that our vision for participation fully reflects the work we undertake and for us to be consistent with other social landlords, we believe our vision should be set out along the following key principles:

- **Improving communities** – Ensuring that our communities are positive places to live by fostering a sense of community and ensuring that estates are well maintained;
- **Improving services** – Ensuring that services delivered by us are those that tenants wish to receive, and that these are delivered to the highest standards;
- **Improving accountability** – Ensuring that the views of our tenants are heard when decisions are made at all levels, and that these decisions are communicated to tenants in a transparent manner; and
- **Improving resident skills** – Ensuring that tenants have the relevant skills to take part in managing their homes and providing broader support to tenants within the community to develop their skills.

We have reviewed the participation techniques we currently use, and it showed that newsletters are by far the most popular means of communication for tenants. There are three further methods of participation that we can use to improve the way that tenant participation is undertaken. These are:

- More use single issue meetings;

- Increased use of digital participation; and
- Strengthening challenge and responsibility.

We aim to deliver on these principles by introducing the following new activities:

- Changing the current structures of tenant involvement to encourage more involvement from under-represented groups;
- Improving systems for gathering and acting on tenant feedback;
- Using 'Planning for Real' as a method of engagement and consultation on estate issues;
- Increasing the use of digital services to reach out to under-represented groups and to those who do not want to attend meetings;
- Putting forward proposals for a challenge panel for our tenants;
- Holding single issue meetings; and
- Surveying our tenants (STAR Survey) to establish baseline information, and re-survey every three years and periodically on single issues.

As well as giving their views on general engagement activities, tenants and residents have also highlighted other priorities in terms of supporting them. They have told us that they would like us to focus on providing more advice and support for them with bills and benefits that will help them to maintain their homes. We will be addressing these priorities in a number of areas.

Responding to Universal Credit

Universal Credit (UC) is a new monthly payment for people who are either unemployed, or working, but on a low income. It will eventually replace six legacy benefits, including Housing Benefit.

In December 2018 Carmarthenshire became a full service UC area. We have over 3,000 tenants below pensionable age in receipt of Housing Benefit that would naturally migrate to UC if they have a qualifying change of circumstances. A managed migration programme will then begin to move all remaining claimants over to UC by 2024. This will mean that for any tenant claiming UC, payments for their housing support will be paid directly to them as opposed to it automatically being paid into their rent accounts.

Experience from the UC pilots has identified it is a huge cultural change for many tenants in managing their monthly budgets and we must support as much as we can. We know that our tenants have a negative view of UC, and the current 4-8 week delays in processing and receiving payments can cause significant anxiety.

Private sector tenants who go onto UC are also likely to require support and may face issues with their landlords due to length of time taken to assess claims.

From a business point of view, evidence from the pilots has shown that rent arrears will increase in the short to medium term and we have allowed for this within this plan in terms of our bad debt provision.

In order to mitigate the impact we have put in place an action plan which has involved:

- Ensuring that tenants are aware of what help we, or our partner organisations, can offer;
- Visiting tenants we believe may be affected;
- Continuing to work with housing providers to ensure that they are ready to provide support to our tenants;
- Increasing the range of Direct Debit (DD) payment dates available to tenants; Tenants will be able to choose any date within the month between 1 and 28;
- Enabling tenants to use the new 'My Account' facility to view their rent balance and recent rent transactions. It will also allow them to pay their rent, order a new payment card and request a direct debit form;
- Working closely with Welsh Water to encourage tenants to make an application under the 'HelpU' tariff which helps low income households to reduce their water bill;
- Targeting our prevention fund to help the most vulnerable tenants;
- Developing guidance documents and procedures to assist in staff training;
- Introducing payment reminder e-mails and texts for individual tenants; and
- Building close partnerships with Housing Benefit, Job Centre Plus and DWP staff.

Focusing on Pre tenancy work

A review carried out by the Housing Quality Network (HQN) recommended that more detailed pre-tenancy work should be carried out with tenants to minimise rent arrears, maximise income for both us and tenants and improve tenancy sustainability. We have supported this recommendation by creating a pre-tenancy service as part of our Homes and Safer Communities realignment.

We know that at present tenants are allocated homes with no prior insight into what a tenancy actually involves. Many are young, with no previous experience of running a home, living on a small budget. Unsurprisingly some end up going into rent arrears, cause noise or disturbance to their neighbours and ultimately lose or end their tenancy within the first year or two.

We have set up 'The Home Ready' project which provides support and training to applicants and potential new tenants of the Council before a tenancy begins. The project aims to:

- Provide applicants with the most relevant and tailor made training to make them more confident and knowledgeable in gaining and sustaining their tenancy;
- Ensure that applicants will be more financially aware in their future day to day lives such as learning how to live on a budget; understand the benefits of their local credit unions; be more aware of what running and maintain a home and tenancy involves and the benefits of saving; and
- Provide applicants with training that will focus on understanding the terms of their tenancy, being a good neighbour and the importance of paying their rent.

Whilst the project remains in its initial stages progress to date involves:

- The appointment of a project officer; and
- 216 new tenants have had training or one-to-one support.

The aim is that further resources will be allocated to this work and all new tenants will have pre-tenancy training or one-to-one support.

Our approach to this year's rent increase

For 2019/20, through careful financial planning, we have been able to keep the average rent increase to 2.4%.

Theme 1 – Investing in Homes’ and the Environment

Maintaining the Carmarthenshire Homes Standard Plus (CHS+)

In 2015 we achieved the CHS+ to homes where tenants have agreed to have work completed - well before WG’s target of 2020. This is in line with our agreed assumptions that the standard of our homes will be to the CHS+ and replacement programmes will be based on condition, not time.

Tenants tell us that getting repairs done on time and maintaining homes to a good standard is important to them. Maintaining the standard is now a statutory duty, and the Council has made a commitment to achieve and maintain the CHS, which states that all homes will be:

- in a good state of repair;
- free from damp;
- free from significant condensation;
- structurally stable;
- in safe and attractive environments;
- suitable for the household; and
- managed to the CHS+

Our on-going consultation with tenants has identified five key themes in this area in terms of ***“What a good housing service looks like?”***

- **Repairs and Maintenance** - proper and timely maintenance, consistent service, maintain homes to a high standard and continue to improve the housing stock;
- **Internal Works and Servicing** – heating, bathroom and kitchens, soundproofing in flats, removal of old plumbing and electrics and options of a newer kitchen;
- **External Works and the Environment** - roofs, removal of moss, rendering, tackling dampness, paths, solar panels, responding to requests for paths, provide a home that is secure, fencing, painting of outside of houses, garden walls and improve communal areas;
- **Voids** - standards to be applied to every home and finish the CHS programme; and
- **Improving Standards** - improvements which result in tenants maximising their income/saving money on utilities, a standard that doesn't stand still and provides service improvement.

The actions identified to address these themes are set out below. The resultant investment requirements have been built into the HRA Capital Programme 2019/2022 (set out in our capital spend table on page 26)

Repairs and Maintenance: The responsive repairs service has more contact with tenants and customers than any other maintenance service, and is therefore used as an important

measure of how effective both the Housing and Property services are by the majority of customers.

The objective of the repairs service is to provide a customer- focussed responsive and cyclical repairs service, which achieves high levels of performance, customer satisfaction and good value for money. We will continue to achieve this by:

- Advising tenants when they report minor repairs how quickly we can carry out the repairs. We will always prioritise emergency and urgent repairs. For larger repair requests, we will often assess the problem first before letting tenants know how long the works will take;
- Carrying out repairs in the timescales we have set out or at a time that is more convenient for the tenant. Sometimes, however, there may be delays because we cannot get materials, we need to carry out further investigations or the work is dependent on the weather;
- Introducing an appointments system for our urgent responsive repairs service, using mobile technology to make appointments with tenants at a time convenient for them, and evaluating the effectiveness of this service; and
- Introducing automatic scheduling of repairs to ensure efficient and timely use of our in-house repair teams.

Internal Works - For internal components such as kitchens, bathrooms, electrical upgrading and central heating, we replace components nearer to the time of failing. We will achieve this by:

- Contacting tenants who have previously declined CHS+ works to discuss any issues they have and agree with them when works are to be programmed; and
- Ensuring homes have the appropriate smoke alarms, heat detectors or carbon monoxide devices, and discuss with tenants how we can upgrade these to improve the fire safety within their homes.

Servicing – The objective of the servicing process is to assess the condition both correctly and consistently of our gas, oil, electric and solid fuel appliances. Our cyclical servicing contract ensures that this assessment is carried out annually and enables us to replace components nearer to the time of failing. We have recently reviewed our approach to fire safety across all our stock, and our approach to when tenants have requested not to have work carried out.

We believe that it is in the best interest of tenants, and to protect our investment, that tenants will no longer have the option to decline electrical works including the installation of hard wired smoke detectors and Carbon Monoxide (CO) detectors. We will achieve this by:

- Continuing our annual programme of safety checks on gas fires, and gas or oil boilers, and only replace boilers with energy-efficient condensing boilers, when defective and no longer economical to run; and
- Checking homes have the appropriate smoke alarms, heat detectors or carbon monoxide devices, and discussing with tenants how we can upgrade these;

- Gain access to ensure that the necessary works are completed; and
- Install servicing timers when we gain access (where a tenant repeatedly does not give us access), to help tenants understand and manage their responsibilities under their tenancy agreement and help us to protect the lives of tenants.

External Works and the Environment: - whilst it is known that our homes are generally in good condition and meet the CHS+, our objective is to achieve economies of scale by only replacing components nearer to the time of failing; and thus saving tenants money. We will achieve this by:

- Continuing to review and update our annual programme of roof and render component replacement including providing exterior wall insulation (EWI), based on evidence and need, and not time;
- Working with a range of partners to identify opportunities to install low carbon technologies to our housing stock to try to save tenants money on their energy bills, improve the comfort of tenants' homes and reduce pollution in the environment;
- Continue our programme of replacing structural boundary and retaining walls; and
- Ensuring sheds and outhouses, gardens, paths and fencing meet the CHS+ standard where reasonably practicable, where we carry out planned external works.

Empty homes (voids): The objective of the void process is to make void homes available for letting as quickly as possible, striving to meet customers' expectations. We will achieve this by:

- Completing individual options appraisals if homes are no longer fit for purpose to determine best course of action, including considering demolishing homes, or disposing of them;
- Making sure that homes are maintained to our standards and any repairs from previous tenants have been carried out before a new tenant moves in, together with making sure gardens are clear of rubbish and safe to use;
- Bringing all homes up to the CHS+, except in exceptional circumstances, such as people fleeing domestic violence, flood or fire (this list is not exhaustive);
- Ensuring every new tenant receives a home information pack, to include information on boiler inspections, asbestos advice, Energy Performance Certificates (EPCs), electrical tests, recycling and service charges if applicable; and
- Providing additional investment to bring the "back-log" of major works voids back into use.

Improving Standards - Tenants have told us they do not want a standard that stands still. We will achieve this by:

- Giving tenants a say through single-issue meetings, digital participation and challenge panel;
- Developing a programme to ensure we have robust and up to date Energy Performance Data (EPCs) to better inform future planned programmes which includes energy saving measures;

- Continuing our programme of providing adaptations for our tenants to ensure that our homes meet their needs;
- Continuing to utilise our stock in an efficient manner through the Accessible Housing Register (AHR), where a void property with existing adaptations is matched to a client on the AHR whose needs will be met;
- Piloting a bio-degradable soft wash treatment to treat the effects of lichen and algae growth on affected properties and evaluate its impact over a 12 month period; and
- Investigating the potential costs and benefits of undertaking external works such as gutter clearance and external high-level cleaning on homes.

Type of work to be completed in 2019/20

We know the following work may be required to maintain the standard in 2019/20.

Type of work/components	Target homes to be completed in the full year 2019 – 2020
Kitchens	108
Bathrooms	99
Central heating Systems	52
Electrical Systems	70
Mains Powered Smoke Detectors	70
Roofs	126
Render and Fascia	142
Gardens and outhouse planned programme	142
Retrofitting Low Carbon Technology (increasing SAP rating 65+)	6

The above figures represent target homes to be completed through the planned programme of works. Additional works to homes will also be completed throughout the year as part of void and capital minor works delivery.

Further development and new opportunities

Health & safety - approach to fire management

We have now further reviewed the fire risk assessments on all of our purpose built blocks of flats, including sheltered schemes. Our approach has been to assess the likelihood of fires occurring, and any person(s) who may be put at risk from a fire. When carrying out the assessment we have also taken into consideration that fires can be started accidentally, through carelessness or started deliberately.

For each block of flats, where we have identified improvements to be made and an action plan has been developed. This provides a record of present risks, together with an indication of the scope of the changes and/or improvements which need to be provided to minimise the risks present. The risk assessments are monitored by the 'Investing in our Homes' Group, as set out in our governance structure.

Investing in sheltered housing

Demand for our sheltered housing remains high generally, but we need to ensure that the right type of support is in the right schemes. Some schemes are very popular whilst others less so because of things like their location and/or access to amenities.

During 2018/19 we assessed the current standards and condition of our sheltered housing schemes and started a pilot programme of upgrading. As part of our programme we will continue to challenge whether schemes will meet the expectations of future residents over the next 10 to 20 years.

We will also continue our annual sheltered housing scheme programme of:

- Communal boiler replacement/upgrades making boilers more energy efficient with the ability to regulate temperatures on site;
- Maintaining and servicing lifts;
- Upgrading aerial and satellite infrastructures and connections to enable tenants to access digital TV and internet services; and
- Transferring lifelines to our Telecare service, giving our tenants a person-centred approach which can adapt to their needs in later years.

Assisting with regeneration plans

The Council has been working with local residents, and other key stakeholders, to develop a masterplan for the potential regeneration of the Station Road area in the Tyisha ward, Llanelli. Station Road is located between Llanelli Town Centre and the proposed Well-Being village in Machynys. There are ambitious and exciting plans for both areas and we want to make sure that the Station Road area benefits from sustainable change that will have an impact into the future.

We have adopted the “Planning for Real” approach, which is a nationally recognised community planning process which uses a 3D model to enable residents to put their views forward under a range of themes. It then goes on to work together to identify priorities, and in partnership with local agencies develop an action plan for change. Over the summer months a programme of 15 events was organised with a total of 253 people taking part.

From this information we have been developing our masterplan for the area, and delivery options, which will be presented to the community in the spring 2019.

Retrofitting our existing housing stock with low carbon technology

We are working with the Welsh School of Architecture at Cardiff University as part of its Low Carbon Built Environment project to install low carbon technologies on a small number of our homes. We have identified a small scheme for which we will receive support for the cost of technologies from the SPECIFIC 2 LCBE project which is part-funded by the European Regional Development Fund through the Wales European Funding Office.

The 'systems-based approach' combines renewable energy supply, energy storage and energy demand reduction technologies creating a holistic approach to retrofitting. The solutions proposed are:

- External wall insulation (EWI);
- Loft insulation;
- LED lighting;
- Mechanical ventilation with heat recovery (MVHR);
- High efficiency gas boilers;
- Solar PV (location dependent on the orientation of each house); and
- Lithium ion batteries.

Where tenants have agreed to participate in this scheme, discreet monitoring equipment has been installed to measure the environmental conditions and energy use in the homes before and after the work has been carried out.

We shall be analysing the results of the installation of low carbon technology in terms of costs, benefits to tenants and ease of use. This will enable us to better understand the potential for helping tenants to reduce their energy bills, improve the comfort of their homes and reduce carbon emissions to levels set by Welsh Government.

Homes as Power Stations

We also want to maximise the impact of the Swansea Bay City Region Deal 'Delivering Homes as Power Stations' project which will:

- Carry out an extensive new house build and retrofit programme which integrates new technologies to allow buildings to generate, store and release energy;
- Develop and seek to attract new sector supply chains incorporating leading research and high value manufacturing and construction operations;
- Help to generate sustainable and affordable homes and address fuel poverty; and
- Focus on smart technologies in relation to energy demand management.

We see this as a huge opportunity for Carmarthenshire and are currently working up a detailed business plan to confirm what delivery will look like, across tenures, over the next five years.

Theme 2 – Providing more homes

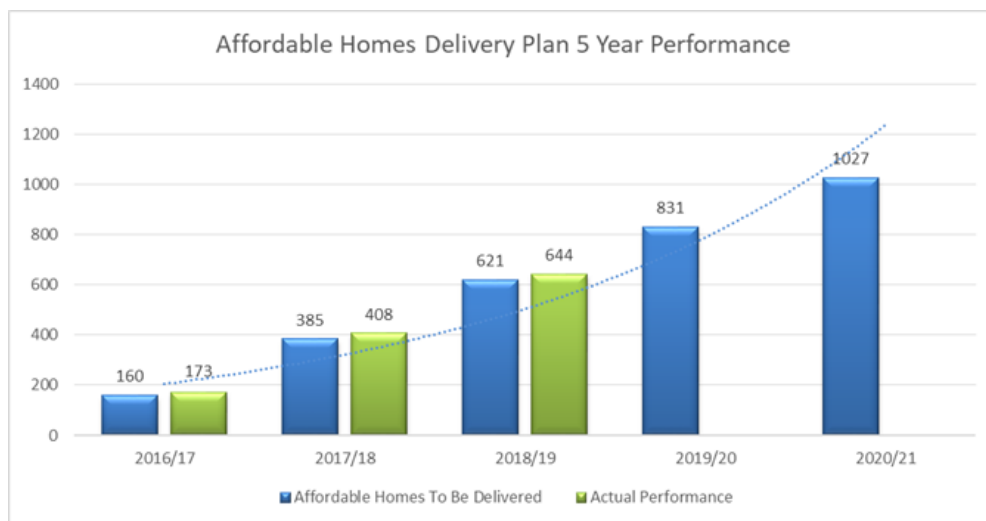
Affordable Homes

HRA Business Plan - Affordable Homes

We began our journey to increase the supply of affordable homes in March 2016 with the creation of our first Affordable Homes Delivery Plan. Our original plan aimed to deliver over 1,000 affordable homes by 2021. We are well on course to exceed this target and increasing the supply of affordable homes is now a core part of our business.

The Affordable Homes Delivery Plan – Our story so far.....

We are about to begin our fourth year of delivery. The first three years have been very successful with over 640 affordable homes being delivered.



Our first delivery plan has focused on increasing the supply of homes through a variety of innovative solutions which provide value for money and create quality homes in our communities. Examples of our approach to date includes:

- managing homes in the private sector through our Simple Lettings agency;
- bringing empty homes back into use and helping to create attractive sustainable communities;
- buying private sector homes and increasing the Council's own housing stock;
- working with partner housing associations (HA) to maximise all external funding opportunities and increase the number of HA homes in the County for rent and low cost home ownership; and
- working with private developers and their Section 106 planning obligations.

We will continue with this approach but we want to do more through an ambitious new build programme.

We have recently announced plans to build 900 Council homes over the next 10 years with a total investment of nearly £150m.

Over the next three years, an additional 250 Council homes will be built with an investment of nearly £44m. This programme will further support the current earmarked developments of the recently established housing company 'Cartrefi Croeso'. The Company will not only deliver a mix of new affordable homes for sale or rent, but will also offer families additional choices as alternatives to social housing.

Through careful financial planning in terms of borrowing we will be able to open up exciting opportunities for Carmarthenshire in terms of building more Council homes. This will enable the Council and its housing stock to play a pivotal role in not only developing much needed social housing but also delivering wider Council priorities to grow the economy.

As a result, this plan will now be able to:

- Continue to provide a range of solutions to deliver more affordable homes, including building new homes, purchasing private sector homes to increase the Council's housing stock in the areas of greatest housing need; and managing private sector homes through the 'Simple Lettings Agency';
- Align our 10 year ambitious new build programme with Cartrefi Croeso plans to develop new build homes, in order to maximise future opportunities; and
- Use our new build programme to further support wider regeneration initiatives, including rural areas.

On a wider scale we also want to maximise the impact of the Swansea Bay City Region Deal 'Delivering Homes as Power Stations' project. We see this as a huge opportunity for Carmarthenshire as the project will support the creation of a new industry in the region which will develop and build innovative energy technologies.

Funding for this ambitious new build programme will come from HRA borrowing but we will also making sure we maximise external funding opportunities. The following funding has already been confirmed to support the wider programme

- Affordable Housing Grant (WG) £4.7m;
- Innovative Housing Programme Funding (WG) £4m;
- Social Housing Grant and Housing Finance Grant £29m;
- Housing association private finance £21m; and
- Section 106 commuted sums £11m.

We are confident more funding opportunities will arise and our ambitious programme will ensure that we will have "on the shelf" developments to take advantage of opportunities as they become available.

Community Benefits and Procurement

Community Benefits

The Council is committed to:

- Contributing to the social, economic and environmental well-being of the wider community;
- Asking tenderers to deliver community benefits in our tendering activities through the delivery of the contracts or frameworks awarded;
- Maximising the value for every pound we spend, applying a community benefits approach to any tender valued over £1million; and
- Capturing and recording community benefits utilising WG's community benefits measurement tool.

For contracts completed in 2017/18, three contractors were used through the South West Wales Contractors Framework. Approximately £1.8m of CHS+ works were carried out in total, achieving the following results:

- For every £1 spent, £1.78 was reinvested into the Welsh economy;
- 75% of the total expenditure was spent on businesses based in Wales
- £43,777 was contributed to the Welsh economy in the form of cash donations
- £18,025 was contributed to the Welsh economy in the form of in-kind donations of labour, goods and services during the period covered by this submission
- 14 people were hired during this period who were previously unemployed, and who will continue to be employed;
- Over 280 weeks of training was provided, including:
 - 7 apprenticeships started and over 122 weeks carried out; and
 - 6 traineeships completed amounting to over 112 weeks in total.
 - 3 work experience / internship opportunities were started and completed with over 36 weeks completed in total
 - 5 work trials were completed with over 10 weeks in total

Since June 2017, Carmarthenshire County Council and Pembrokeshire County Council entered into a joint procurement shared service for a period of two years. The aim of the shared service is to deliver regional benefits and efficiencies through shared use of resources.

Funding and Risk Management

Removal of the HRA Borrowing Cap

The Welsh Government Minister for Housing and Regeneration provided written confirmation (29/10/2018) that the Chancellor of the Exchequer had agreed in his budget statement, that the removal of the borrowing cap for HRA's applied to Wales as well as England. This significant change in policy will provide the opportunity for local authorities to deliver their Affordable Homes ambitions at pace and scale. We were already on this journey in Carmarthenshire and this plan has been developed with this new freedom to borrow at an affordable level as a key driver.

Major Repairs Allowance

Every year we receive £6 million from Welsh Government to support our capital investment. The grant comes with clear guidance on what it can and cannot be used for. The main condition is that it must be spent on property within the HRA. It cannot be used for revenue repairs or maintenance, demolition costs, repayment of borrowing etc. A full breakdown can be found in our MRA acceptance letter issued by Welsh Government.

The MRA makes a significant contribution towards achieving and maintaining the CHS. It is currently reviewed annually by Welsh Government and, as such, it is regularly under scrutiny. A reduction or end of the MRA could have a significant impact on our future investment plans.

Planning Assumptions

To help us plan our investments, we must make certain assumptions. Changes to our assumptions may mean that we have to re-visit the objectives included in this plan.

INCOME

Major Repairs Allowance (MRA) <i>i.e. the amount of capital funding we get from the Welsh Government</i>	£6m each year. This is on the basis that we receive £673 for each home.
Rent increase 2019/20	2.4% average
Future rent increase levels <i>Based on Welsh Government Policy</i>	Consumer Price Index increases only. Welsh Government will be producing a new policy from 2020/21 financial year.
Borrowing i.e. the amount we need to borrow to support our investment	£64m over next 3 years to maintain the CHS+ and deliver our Affordable Homes ambitions.

OTHER		
Expenditure/income inflation	Employees' pay at 3.5% for 2019/20 then 2% per year for the next two years (as per assumptions for Council Fund).	
Right to Buy receipts i.e. Money we get from tenants' buying their home	No receipts from 1 st April 2015 following suspension of Right to Buy	
Balances on the revenue account i.e. the amount of money we need to keep in reserve	Minimum of £1.359m (based on £150 per property)	
SPENDING		
Assumed Borrowing costs i.e. the amount it costs to borrow money	Cost of existing and new debt: 2019/20: 4.57% 2020/21: 4.41% 2021/22: 4.41%	Cost of exiting HRAS: Average of 4.57%
Provision for Bad debt i.e. debt that we will be unable to recover	2019/20: £585k 2020/21: £770k 2021/22: £1110k	

Delivering efficiencies

This current business plan is supported by a drive to improve value for money over the next three years and enhance service delivery.

Over the next 12 months we will develop measures to ensure that value for money can be demonstrated in terms of cost and quality, whilst striving to meet tenants' expectations on service improvements.

CAPITAL SPENDING TO:-	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Maintain the standard:			
Internal works - kitchens, bathrooms, electrics, heating etc.	1,178	998	1,066
EWI, Render and Fascia (including gardens)	1,770	3,478	3,652
Roofing	1,292	1,086	1,140
Boiler replacements	680	563	941
Structural works - Estates and boundary walls	1,704	600	600
Voids and Major Works to homes	4,014	2,000	2,000
Support Tenant and Residents:			
Sheltered Scheme Investment (communal boilers)	499	714	0
Sheltered Scheme Investment	1,500	3,000	3,000
Adaptations	1,700	1,500	1,500
Environmental works	303	309	309
Provide more affordable homes:			
Housing Development Programme	15,452	15,952	13,000
Support the delivery of CHS+:			

Programme management	198	200	201
Stock condition information	150	100	100
Risk Reduction Measures	254	258	261
Sewerage treatment works & associated costs	184	0	0
TOTAL	30,878	30,758	27,770

CAPITAL FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Welsh Government Grant-MRA	6,190	6,190	6,190
Housing Finance Grant	3,452	3,452	0
External Borrowing	21,236	21,116	21,580
TOTAL	30,878	30,758	27,770

REVENUE SPENDING TO:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Repair and maintain homes	10,288	10,623	10,897
Supervision and management	10,189	10,402	10,574
Support services e.g. legal and finance	1,620	1,620	1,620
Provision for Bad debts	585	770	1,110
Capital charges	14,941	15,822	16,770
TOTAL	37,623	39,238	40,970
REVENUE FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Tenant rents	40,557	43,012	43,863
Service charges	706	720	734
Interest received	100	134	168
Housing Finance Grant 2	124	247	247
Water rates commission	401	409	417
Grants / Other	1,001	898	913
TOTAL	42,889	45,420	46,342
HRA END OF YEAR POSITION:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Balance brought forward from last year	-14,002	-19,268	-25,450
HRA budgeted surplus (-)/ deficit (+)	-5,266	-6,182	-5,372
BALANCE CARRIED FORWARD	-19,268	-25,450	-30,822

Risk Management

Each year, as part of the HRA business planning process, we identify, assess and prioritise potential risks and consider the likelihood and impact of each. This exercise is carried out by each service delivery area. Once this has been done, we identify ways in which we can reduce or manage the potential risk and impact. These are recorded corporately and monitored regularly.

Three of the greatest risks identified in delivering this plan are:

- Maintaining up to date asset information about our stock;
- Uncertainty of the impact of market conditions with regard to inflation, pricing and availability of workforce, to inform the 30 year cost certainty exercise; and
- The impact of Universal Credit on tenants' ability to maintain their responsibilities and obligations to pay their total rent in advance for the week ahead.

All risks will be monitored by the CHS+ Steering Group on a regular basis.

Compliance, Verification and Monitoring

Compliance and Acceptable Fails

Recording compliance and acceptable fails is not a simple collection of condition information for things like kitchens, bathrooms, electrics and so on. It is a combination of occupancy and property condition information. Surveying of homes, collating of information, how we manage our data, and the ability to report 100% accurate information, are all data-hungry activities. The details of our compliance are set out in Appendix E, our full CHS+ compliance document is set out in Appendix F.

Acceptable Fails

An acceptable fail occurs when an individual component e.g. a kitchen or bathroom, has not been completed for one or more of the following reasons:

- Cost of remedy;
- Timing of remedy;
- Resident's choice; and
- Physical constraint

Energy Efficiency

We have had a number of different programmes running to improve the energy efficiency of homes. These programmes have helped save tenants money on their heating costs and improve the SAP rating of our homes. The average SAP across our stock is 65 out of 100.

Independent Verification

We believe that we report compliance accurately in achieving and maintaining the CHS+, and we will continue to do so. We will also back this up with further verification by:

- Demonstrating compliance by ensuring there is a clear separation of duties between CCC staff reporting compliance and those staff responsible for delivering the CHS+;
- Using internal staff in conjunction with Internal Audit to undertake desktop reviews;
- Agreeing and commencing a sample programme of stock condition visits every year, carried out by an independent verifier;
- Asking tenants how they would like to be part of the process of verification;
- Continuing to use service reviews to assess compliance. Some data is already independently collected, e.g. boiler inspections, EPCs and electrical tests; and
- Introducing Home Information packs for all new tenants, informing them of boiler inspections, asbestos advice, Energy Performance Certificates, electrical tests and when any outstanding CHS+ work will be carried out.

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Carmarthenshire Homes Standard+ (CHS+) HRA Business Plan

Appendices A-E

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Appendix A: *The Well-being of Future Generations (Wales) Act 2015*

We are committed to delivering the CHS+ in a sustainable way as outlined in the Well-being Act. We do this by:



Looking at the long term so that we do not compromise the ability of future generations to meet their own needs

- The Business Plan contributes to this by planning for the next 3 years and also over the longer term of 30 years. We do this by analysing our asset data and market conditions to enable us to maintain our existing stock, and plan our affordable housing delivery. We set out our plans to deliver a pre-tenancy service to enable tenants to sustain their tenancies as long as possible.



Understanding the root causes of the issues to prevent them reoccurring

- The Business Plan identifies the key issues that tenants have highlighted to us. We also monitor the demand for reactive repairs. All this information enables us to plan programmed works to resolve issues and prevent them reoccurring.



Taking an integrated approach so that we look at all well-being goals and objectives of other services and partners

- The Business Plan highlights how we contribute to the well-being of our tenants. Examples of this include delivering adaptations to meet the needs of tenants, re-housing tenants through the adapted home register to more suitable accommodation, working with Swansea and Cardiff University to carry out a health impact study, and carrying out estate improvement works to the local environment.



Collaboration - Working with others in a collaborative way to find shared sustainable solutions

- The Business Plan is delivered in a Partnership approach between Housing and Property Services. It sets out our ambition to work with partners locally and regionally to deliver energy efficiency measures to existing and new homes to reduce fuel poverty for our tenants. Our procurement process is delivered through a collaborative approach ensuring community benefits are maximised.



Involving a diversity of population in decisions that affect them

- Tenant involvement in the delivery of the Business Plan is an overarching principle. We have set out our plans to produce a tenant engagement strategy and widen our support and advice services for both preventative services and to mitigate the impact of Welfare Reform. Tenants will continue to contribute to the development of both the CHS+ and the Environmental Improvement Programme.

The CHS+ business plan contributes to the seven Well-being goals under the sustainable development principles in the following way:

<p>A more prosperous Wales</p>
<p>1</p>
<p>A resilient Wales</p>
<p>2</p>
<p>A healthier Wales</p>
<p>3</p>
<p>A more equal Wales</p>
<p>4</p>
<p>A Wales of cohesive communities</p>
<p>5</p>
<p>A Wales of vibrant culture and thriving Welsh language</p>
<p>6</p>
<p>A globally responsible Wales</p>
<p>7</p>

A Prosperous Wales

Carmarthenshire has a stronger and more prosperous economy:

We will focus on:

- Ensuring long-term economic and social benefits for Carmarthenshire through the Swansea Bay City Region and future European and external funding avenues.

A Healthier Wales

People in Carmarthenshire are healthier:

We will focus on:

- Increasing the availability of rented and affordable homes to support the needs of local people by building new homes, bringing empty homes back into use and ensuring an allocation of affordable homes on new developments;
- Mitigating the local impacts of welfare reform by supporting affected residents through the changes;
- Supporting residents suffering from fuel poverty and introducing renewable energy technology to our tenants’ homes in order to save them money on energy costs.

A Wales of Cohesive Communities

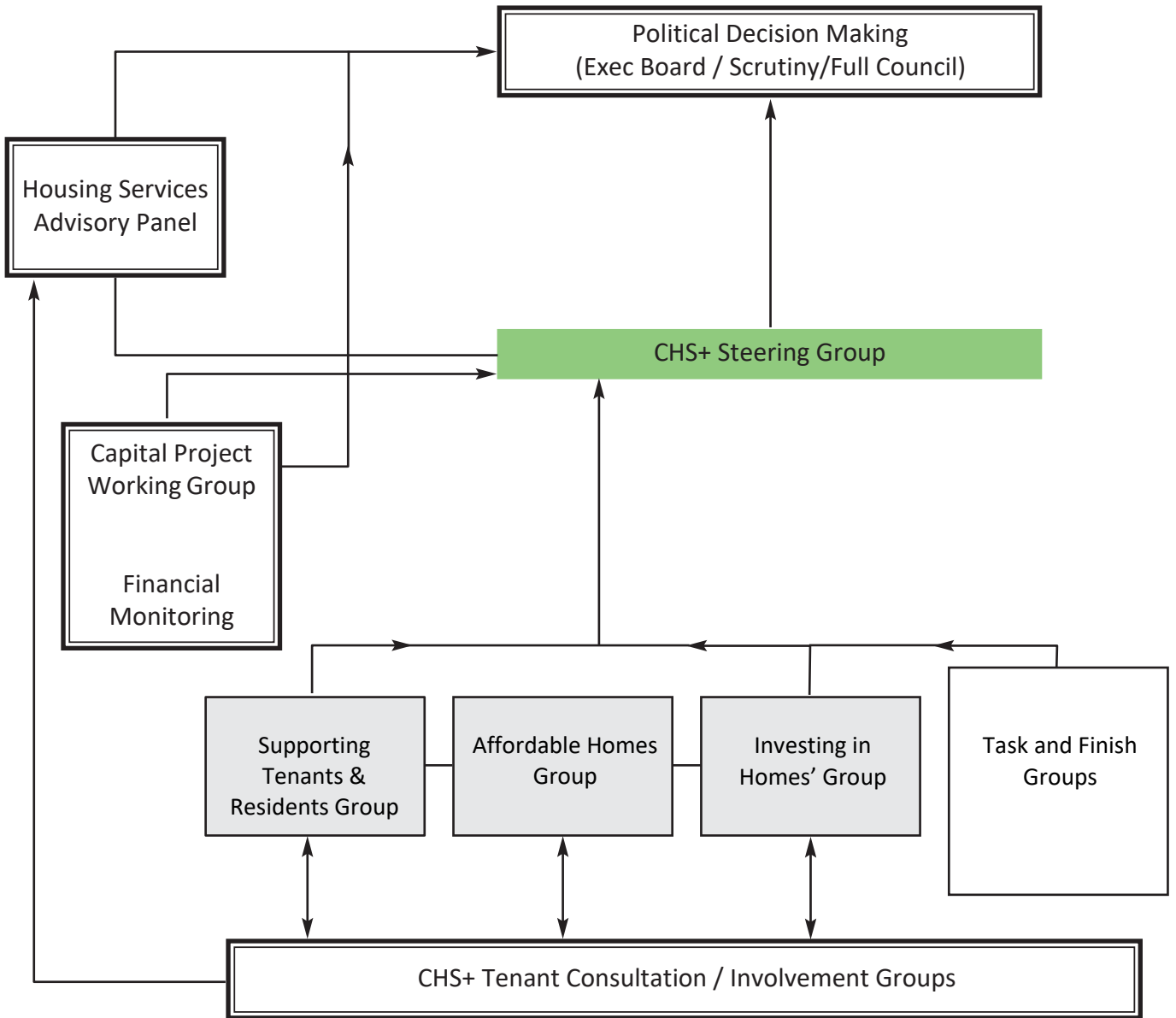
People who live, work and visit Carmarthenshire are safe and feel safer:

We will focus on:

- Reducing anti-social behaviour by working in partnership with other agencies and communities to tackle local problems.

Governance Structure

All actions in this Plan will be monitored on a bi-monthly basis by the CHS+ Steering Group. This group provides strategic direction and corporate leadership to ensure appropriate progression on the initiatives included.

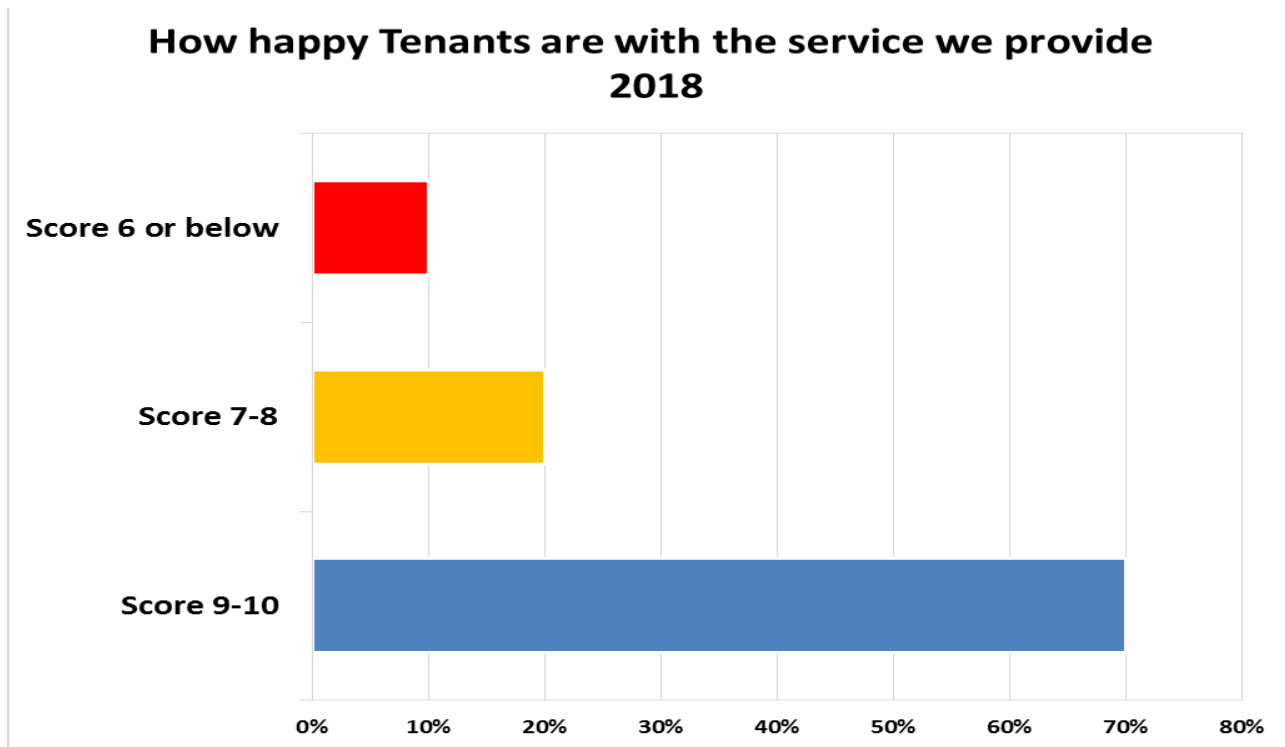


Appendix B: How Happy Tenants are with the Services we Provide

During 2017/18 we have continued to engage with tenants and other stakeholders in a number of ways. One of the key questions we asked throughout the year was “How happy are you with the service we provide?”

90% of tenants rated us with a score of 7 or above.

The results are provided below:



Appendix C: Stock, Tenant and Housing Choice Register Profile

Stock 01/11/18 Stock Return

Type	No. of Homes	Sheltered Homes
House	4968	
Bungalows	2164	
Flats	1935	509
Maisonettes	40	
Bedsit	21	
Total	9128	

Stock Make Up

Carmarthenshire County Council's HRA stock (as set out below) comprises 9,128 homes, including 509 sheltered homes, and an additional 221 leasehold homes.

The following table sets out the HRA housing stock by Ward:

Ward	Homes	Ward	Homes
Abergwili	40	Llandybie	210
Ammanford	150	Llanegwad	43
Betws	76	Llanfihangel Aberbythych	20
Bigyn	387	Llanfihangel Ar Arth	123
Burry Port	161	Llangadog	46
Bynea	262	Llangeler	180
Carmarthen Town North	404	Llangennech	245
Carmarthen Town South	159	Llangunnor	173
Carmarthen Town West	139	Llangyndeyrn	193
Cenarth	59	Llannon	262
Cilycwm	26	Llansteffan	46
Cynwyl Elfed	62	Llanybydder	138
Cynwyl Gaeo	13	Lliedi	274
Dafen	225	Llwynhendy	614
Elli	58	Manordeilo & Salem	22
Felinfoel	254	Pembrey	224
Garnant	140	Penygroes	74
Glanamman	151	Pontaman	143
Glanymor	516	Pontyberem	185
Glyn	105	Quarter Bach	204
Gorslas	240	Saron, Ammanford	259
Hendy	102	St Clears	102
Hengoed	227	St Ishmael	50
Kidwelly	198	Swiss Valley	17
Laugharne	90	Trelech	29
Llanboidy	19	Trimsaran	207
Llanddarog	81	Tycroes	91
Llandeilo	103	Tyisha	298
Llandovery	123	Whitland	86

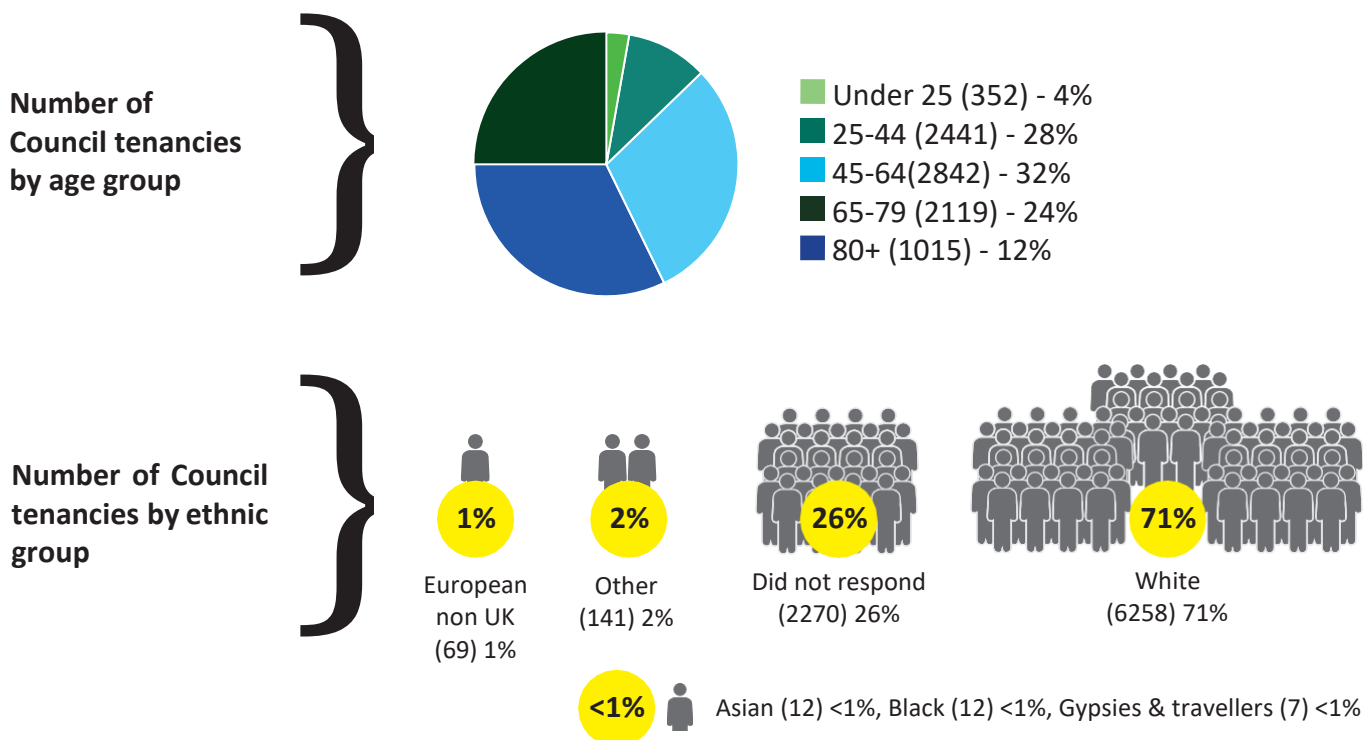
The housing stock comprises 4,968 houses and 2,164 bungalows, with the remainder made up of 1,487 flats, bedsits and maisonettes. The majority of the stock is 2 and 3 bedroom homes. 104 of the homes have 4 bedrooms, and only two, are 5 and 6 bedrooms.

Type of Home	Bedrooms							Total
	0	1	2	3	4	5	6+	
Flats		643	775	7				1425
Bedsits	21	1						22
Maisonettes			9	31				40
Bungalows	1	362	1770	30	1			2164
House	3	19	1136	3706	102	1	1	4968
Sheltered flats		460	42	6	1			509
Total	25	1485	3732	3780	104	1	1	9128

Tenant Profile

We know that 12% of our lead tenants are aged 80 or over and a further 24% are aged 65 to 79. As a result, 36% of our lead tenants are 65 or above. Only 4% of our lead tenants are under 25. Furthermore, 28% of our lead tenants are aged 25-44 with the remaining 32% are aged 45 to 64.

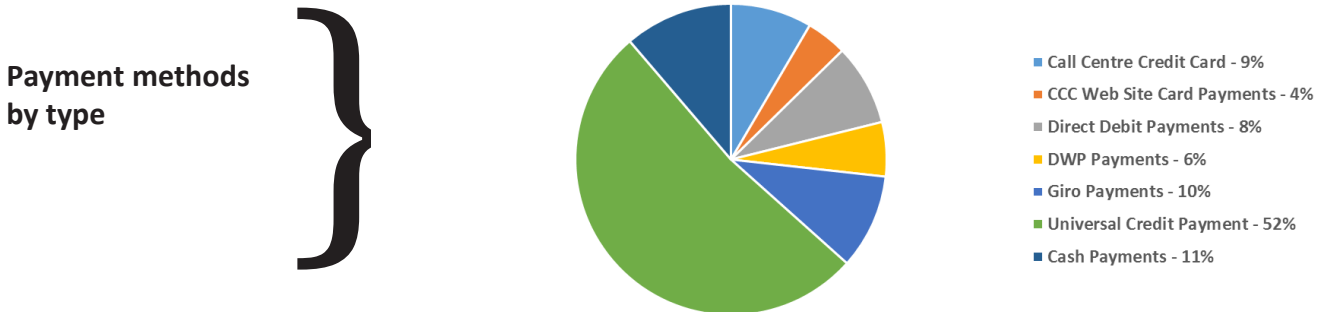
We know that 71% of our lead tenants are white British. A further 26% did not provide information about their ethnic group.



Universal Credit Tenant Payment Profile

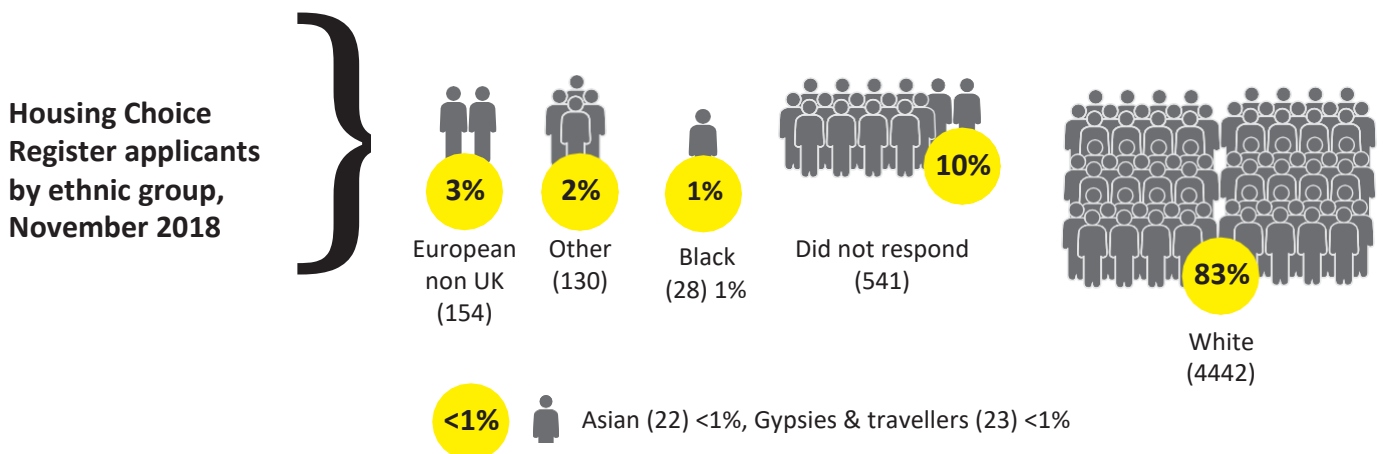
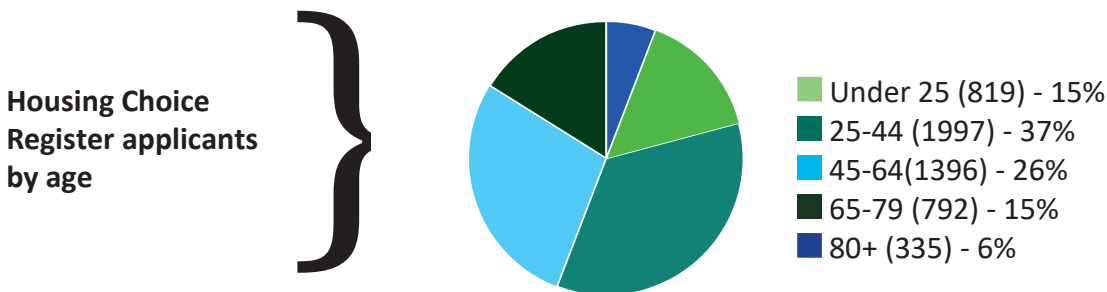
For tenants currently claiming Universal Credit, we know that only 8% are paying their rent by direct debit. A further 6% are still receiving DWP direct payments and 52% are receiving Universal Credit Payments direct to CCC.

TENANT Payment METHODS



Housing Choice Applicants Profile

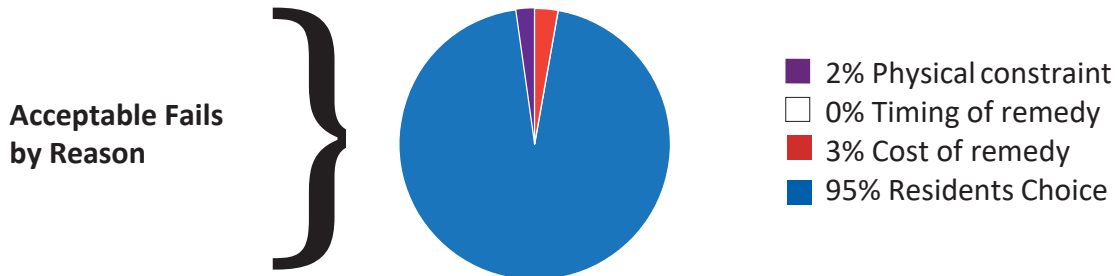
We know that 37% of our lead applicants are aged 25 to 44 with a further 15% aged under 25. 6% are aged 80+ and the remaining 42% are aged 45 to 79. We know that 83% are white British and a further 10% of our lead applicants did not provide information about their ethnic group.



Appendix D: Acceptable Fails

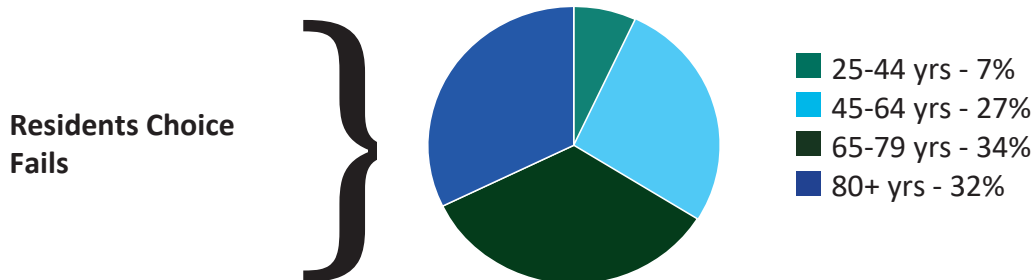
The Welsh Government Outlines ‘acceptable fails’ as a home which meets the standard but has not had all works carried out to make it full compliant. There are different reasons for why these acceptable fails would occur.

Some tenants have chosen not to have the work done (Residents’ choice) because they were happy with their homes, have made their own improvements or some, particularly older tenants, do not want the disruption. This is, by far, the main reason why homes do not currently meet the standard.



We know that 95% of our acceptable fails are as a result of residents’ choice. The remaining 5% being the cost of the remedy or physical constraints.

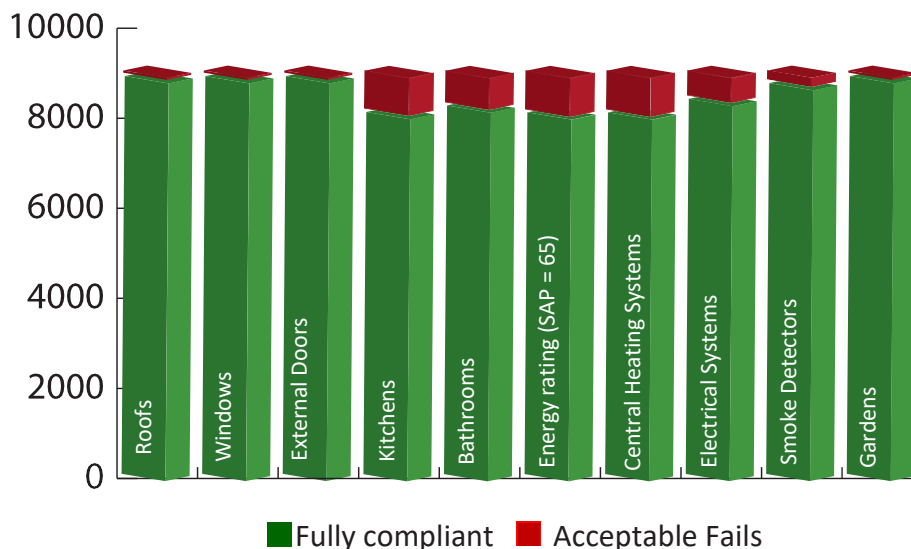
We also know that 32% of the residents who chose not to have the CHS+ works completed are aged 80 or over and a further 34% are between the age of 65 and 79.



Appendix E: WHQS Compliance

The following tables set out our achievement of meeting the CHS+ in 2015 by components, together with the annual programme to maintain compliance of the CHS+.

WHQS Compliance by Component



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*Achieving and
Maintaining the
Carmarthenshire
Homes' Standard +*

*Compliance Policy
Appendix F*

February 2019

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• How are we interpreting the CHS+ and what have we done to achieve it?	
• Further development and new opportunities.	
• What has been achieved to date?	
• What have been the wider benefits of delivering the CHS+?	
• How will we go about maintaining the CHS+ in the future?	
• How will we deal with homes that do not meet the CHS+?	
• Have we any plans to improve the CHS+?	
• How do we go about monitoring progress on the CHS+?	
• How do we prepare our financial plan to deliver our work programmes to maintain the standard?	
• How do we manage the stock information to inform future planning to maintain the CHS+?	
• How do we link with Welsh Government reporting with our business and asset plans?	
• How will we go about verifying progress in the future?	

1. The purpose....

- 1.1. The purpose of this document is to confirm our approach in achieving and maintaining (and further improving) the Carmarthenshire Homes' Standard (CHS). It takes account of the guidance produced by the Welsh Government in 2015 in terms of compliance and verification.

2. The context....

- 2.1. Carmarthenshire has been committed to achieving the CHS by providing homes for council tenants that are modern, safe, fuel efficient, situated in well maintained neighbourhoods and are well managed.
- 2.2. The CHS is an amended version of the Welsh Housing Quality Standard that has been defined by the tenants themselves. In 2006, the Council started its ambitious programme to achieve the CHS by the end of 2015.
- 2.3. We are pleased to say that we have delivered this programme, on time, to homes where tenants have agreed to have the work carried out. Even though these programmes have been delivered, this does not mean the end of the CHS. There remains much more to do.
- 2.4. During 2015, we introduced the concept of the Carmarthenshire Homes Standard Plus (CHS+), building on the success of the CHS and extending to ensure we maintain and improve on what has been achieved.
- 2.5. We have acknowledged the importance of strategic asset management in providing the foundation for our investment plans, as well as the central role of supporting tenants and residents in everything we do, is critical to the delivery of the plan. The 2019/22 business plan covers two key themes that have been identified in terms of future investment. These are:
 1. **THEME 1- Investing in our Homes' and the Environment.**
 2. **THEME 2 - Providing more homes.**

3. Our approach to achieving and maintaining the CHS+ in the future

3.1. The following table will confirm our approach in achieving and maintaining (and improving) the CHS+ in the future. Where appropriate, it will confirm policy decisions that have already been made e.g. through documents like our CHS+ Business Plan 2018-21. It will also identify any current gaps, and how they will be addressed, to deliver the standard in the future.

<p><i>What is our policy statement?</i></p>	<p>In 2015 we achieved the CHS+ to homes where tenants have agreed to have work completed - well before WG’s target of 2020. This is in line with our agreed assumptions that the standard of our homes will be to the CHS+; and replacement programmes will be based on condition, not time.</p> <p>Tenants tell us that getting repairs done on time and maintaining homes to a good standard is important to them. Maintaining the standard is now a statutory duty, and the Council has made a commitment to achieve and maintain the CHS, which states that all homes will be:</p> <ul style="list-style-type: none"> • in a good state of repair; • free from damp; • free from significant condensation; • structurally stable; • in safe and attractive environments; • suitable for the household; and • managed to the CHS+
<p><i>How have we developed the approach?</i></p>	<p>The commitment and support of our tenants’ and Members’ continues to be important to us to ensure that we maintain and improve on the CHS+ going forward.</p> <p>Tenant and community engagement has always underpinned the delivery of the CHS+, but we want to do more. We want to get better by engaging as widely as possible and maximising opportunities to help build stronger communities.</p> <p>Tenants and stakeholders have been consulted through the Tenant Consultative Forum and by face to face interviews and their views taken into account in preparing this Plan. The Plan is updated annually taking into account these views, the latest stock condition information, updated financial information, WG Guidance and any revised Council policies.</p> <p>All actions in this Plan will be monitored every two months by the CHS+ Steering Group. This group provides strategic direction and corporate leadership to ensure progress is made on the initiatives in the Plan. The CHS+ Steering Group is also responsible for monitoring progress, reviewing and managing the overall 30 year financial plan that supports our planned investment.</p>

During 2018/19 we have continued to engage with tenants and other stakeholders in a number of ways. One of the key questions we asked during our Home Checker visit was “How happy are you with the service we provide?”

From carrying out this initial work on Home Checker we will:

- Continue with Home Checker and look at ways to improve how we capture data from the visits;
- Further improve our approach to preventative maintenance in next year’s CHS+ Business Plan;
- Develop and encourage tenants to take a proactive approach in maintaining their homes to a high standard;
- Make our services more effective and responsive by tailoring them more closely to the needs of our tenants;
- Help more tenants with a range of issues including saving money on fuel bills, budgeting and financial assistance and housing support; and
- Further develop our approach to tenant feedback in order that we analyse trends over time.

The commitment and support of our tenants’ and Members’ continues to be important to us to ensure that we maintain and improve on the CHS+ in the future.

Tenant and community engagement has always underpinned the delivery of the CHS+, but we want to do more. We want to get better by engaging as widely as possible and maximising opportunities to help build stronger communities.

We asked TPAS Cymru to conduct an independent report into tenant participation and involvement with our tenants. As a result, we identified there was a lack of diversity and a low number of tenants who engage with tenant networks. These issues are not unique to Carmarthenshire and can be demonstrated across Wales.

We also believe we should give our tenants the opportunity to influence decisions about their homes, the area they live and ensure the services they receive achieve value for money. Our vision is:-

“To make it easy and inviting for tenants to get involved in shaping strategic decisions and improve services through meaningful involvement by ensuring residents have the relevant skills”.

How are we interpreting the CHS+, and what have we

In order that our vision for participation fully reflects the work we undertake and for us to be consistent with other social landlords, we believe our vision should be set out along the following key principles:

Improving communities – Ensuring that our communities are positive places to live by fostering a sense of community and ensuring that estates are well maintained;

**done to
achieve it?**

Improving services – Ensuring that services delivered by us are those that tenants wish to receive, and that these are delivered to the highest standards;
Improving accountability – Ensuring that the views of our tenants are heard when decisions are made at all levels, and that these decisions are communicated to tenants in a transparent manner; and
Improving resident skills – Ensuring that tenants have the relevant skills to take part in managing their homes and providing broader support to tenants within the community to develop their skills.

We have reviewed the participation techniques we currently use, and it showed that newsletters are by far the most popular means of communication for tenants. There are three further methods of participation that we can use to improve the way that tenant participation is undertaken. These are:

More use single issue meetings;
Increased use of digital participation; and
Strengthening challenge and responsibility.

We aim to deliver on these principles by introducing the following new activities:

Changing the current structures of tenant involvement to encourage more involvement from under-represented groups;
Improving systems for gathering and acting on tenant feedback;
Using ‘Planning for Real’ as a method of engagement and consultation on estate issues;
Increasing the use of digital services to reach out to under-represented groups and to those who do not want to attend meetings;
Putting forward proposals for a challenge panel for our tenants;
Holding single issue meetings; and
Surveying our tenants (STAR Survey) to establish baseline information, and re-survey every three years and periodically on single issues.

As well as giving their views on general engagement activities, tenants and residents have also highlighted other priorities in terms of supporting them. They have told us that they would like us to focus on providing more advice and support for them with bills and benefits that will help them to maintain their homes. We will be addressing these priorities in a number of areas.

**Further
Development
and new
opportunities**

Roll out of Home Checker visits - In 2018/19 we carried out basic checks to all Council homes (where we gained access) through servicing contractors, repair visits and tenancy support calls. As a result of these visits about 5% of homes were identified as requiring a more in-depth visit by a housing officer.

Some issues identified and attended to in terms of preventative maintenance, included:

- Leaking showers;
- Loose tiles and guttering;
- Broken windows;

- Window locks and handles not working;
- Plugs and sockets loose;
- Toilet leaks;
- Extractor fans not working;
- Damp; and
- Condensation.

The continuation of our Home Checker visits will enable us to identify specifically what help tenants want, such as support with Universal Credit and household budget management. This will enable us to plan for the future and identify preventative maintenance and component failure.

Health and Safety – approach to fire management – We have now further reviewed the fire risk assessments on all of our purpose built blocks of flats, including sheltered schemes. For each block of flats, where we have identified improvements to be made and an action plan has been developed. The risk assessments are monitored by the ‘Investing in our Homes’ Group.

Investing in sheltered housing – During 2018/19 we assessed the current standards and condition of our sheltered housing schemes and started a pilot programme of upgrading. We will also continue our annual sheltered housing scheme programme of; Communal boiler replacement, maintaining and servicing lifts, upgrading aerial and satellite infrastructures and transferring lifelines to our Telecare service

Assisting with regeneration plans – The Council has been working with local residents, and other key stakeholders, to develop a masterplan for the potential regeneration of the Station Road area in the Tyisha ward, Llanelli. We have adopted the “Planning for Real” approach, which is a nationally recognised community planning process. From this information we have been developing our masterplan for the area, and delivery options, which will be presented to the community in the spring 2019.

Retrofitting our existing housing stock with low carbon technology – We are working with the Welsh School of Architecture at Cardiff University on a small number of our homes. The ‘systems-based approach’ combines renewable energy supply, energy storage and energy demand reduction technologies creating a holistic approach to retrofitting. We shall be analysing the results of the installation of low carbon technology in terms of costs, benefits to tenants and ease of use.

Homes as Power Stations – We want to maximise the impact of the Swansea Bay City Region Deal ‘Delivering Homes as Power Stations’ project which will; carry out an extensive new house build and retrofit programme, develop and seek to attract new sector supply chains help to generate sustainable and affordable homes and address fuel and focus on smart technologies. We see this as a huge opportunity for Carmarthenshire and are currently working up a detailed business plan to confirm what delivery will look like, across tenures, over the next five years.

What has been achieved to date?

The following table sets out our achievement of meeting the CHS+ in 2015 by components, together with the annual programme to maintain compliance of the CHS+.

WHQS Compliance by Component



2018/19 main achievements:

- Over £19m spent to maintain the CHS+ in tenants' homes;
- Over 240 additional affordable homes delivered during our third year of delivery;
- Over 530 adaptations completed, with over £1m being invested to ensure tenants' homes meet their needs;
- Over £285,000 spent on 35 Environmental Improvement Projects (plus £60,000 on improving garage plots, demolishing garages, clearing areas and creating car parking spaces);
- Managed improvements and lettings of 900 homes, including new homes added to our stock;
- Started development on two sites for 48 new affordable homes in Llanelli and Pembrey;
- Continued our time-banking initiative, Spice, with over 57,970 of total volunteer hours being given. Over 1,800 tenants and their family members took part;
- Housed over 40 households who have specific needs through our Accessible Housing Register (AHR);
- Introduced a Choice Based Letting scheme, Canfod Cartref, that gave tenants more choice and which will make tenancies more sustainable ;
- The findings of our Health Impact Study with Swansea University showed the positive impact on health of investing over £200m in tenants homes since 2007. This investment also brings social, economic and environmental benefits for all;
- Shortlisted for CIH Cymru Wales Housing awards recognising our work on improving tenants' homes;
- Over 250 people attended 23 comprehensive consultation events using "Planning for Real" to engage with residents of Tyisha ward in Llanelli;
- Taken on three apprentices in Property Maintenance;
- Re-let the gas servicing contract for tenant homes;
- Set up a new minor works framework with up to date Schedules of Rates to ensure value for money for housing repairs; and

- Started to realign our Property Maintenance section to improve arrangements for future lettings and maintenance of Council homes.

What have been the wider benefits of delivering the CHS+?

The Council is committed to:

- Contributing to the social, economic and environmental well-being of the wider community;
- Asking tenderers to deliver community benefits in our tendering activities through the delivery of the contracts or frameworks awarded;
- Maximising the value for every pound we spend, applying a community benefits approach to any tender valued over £1million; and
- Capturing and recording community benefits utilising WG's community benefits measurement tool.

For contracts completed in 2017/18, three contractors were used through the South West Wales Contractors Framework. Approximately £1.8m of CHS+ works were carried out in total, achieving the following results:

- For every £1 spent, £1.78 was reinvested into the Welsh economy;
- 75% of the total expenditure was spent on businesses based in Wales
- £43,777 was contributed to the Welsh economy in the form of cash donations
- £18,025 was contributed to the Welsh economy in the form of in-kind donations of labour, goods and services during the period covered by this submission
- 14 people were hired during this period who were previously unemployed, and who will continue to be employed;
- Over 280 weeks of training was provided, including:
 - 7 apprenticeships started and over 122 weeks carried out; and
 - 6 traineeships completed amounting to over 112 weeks in total.
 - 3 work experience / internship opportunities were started and completed with over 36 weeks completed in total
 - 5 work trials were completed with over 10 weeks in total

Since June 2017, Carmarthenshire County Council and Pembrokeshire County Council entered into a joint procurement shared service for a period of two years. The aim of the shared service is to deliver regional benefits and efficiencies through shared use of resources.

How will we go about maintaining

Where tenants have already had work completed, the emphasis will be to maintain these to CHS (+) in the future. For each of the CHS (+) components, there is an estimated lifespan built into our planning that allows us to work out the anticipated financial investment that will be needed to maintain the standard.

We have made a policy commitment, however, through the latest version of our business plan to:

- Replace components based on their condition; and
- Implement a programme of inspections to monitor the condition of homes.

Homes will be visited in advance of when components are due to need replacing to assess their condition. At this point we may decide to confirm the component life has been extended or is in need of replacing. We will inform tenants of this decision and the reasons for it.

The following table identifies the components needing inspection over the next three years to ensure they continue to meet the CHS (+):

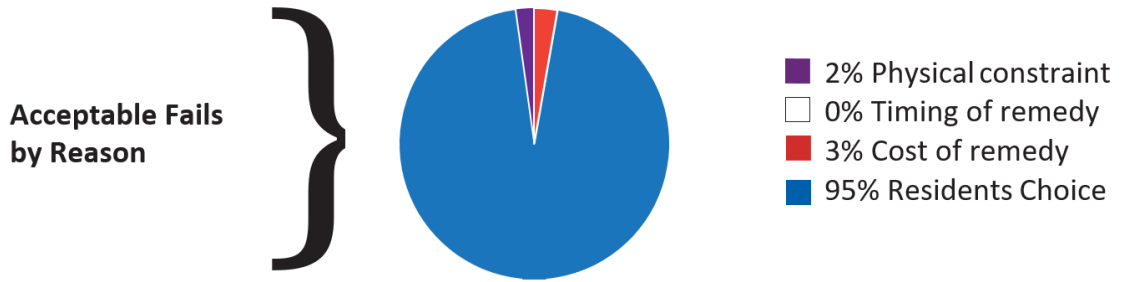
CAPITAL SPENDING TO:

CAPITAL SPENDING TO:-	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Maintain the standard:			
Internal works - kitchens, bathrooms, electrics, heating etc.	1,178	998	1,066
EWI, Render and Fascia (including gardens)	1,770	3,478	3,652
Roofing	1,292	1,086	1,140
Boiler replacements	680	563	941
Structural works - Estates and boundary walls	1,704	600	600
Voids and Major Works to homes	4,014	2,000	2,000
Support Tenant and Residents:			
Sheltered Scheme Investment (communal boilers)	499	714	0
Sheltered Scheme Investment	1,500	3,000	3,000
Adaptations	1,700	1,500	1,500
Environmental works	303	309	309
Provide more affordable homes:			
Housing Development Programme	15,452	15,952	13,000
Support the delivery of CHS+:			
Programme management	198	200	201
Stock condition information	150	100	100
Risk Reduction Measures	254	258	261
Sewerage treatment works & associated costs	184	0	0
TOTAL	30,878	30,758	27,770

There are some homes that currently fail to meet the CHS+. These are known as “acceptable fails”.

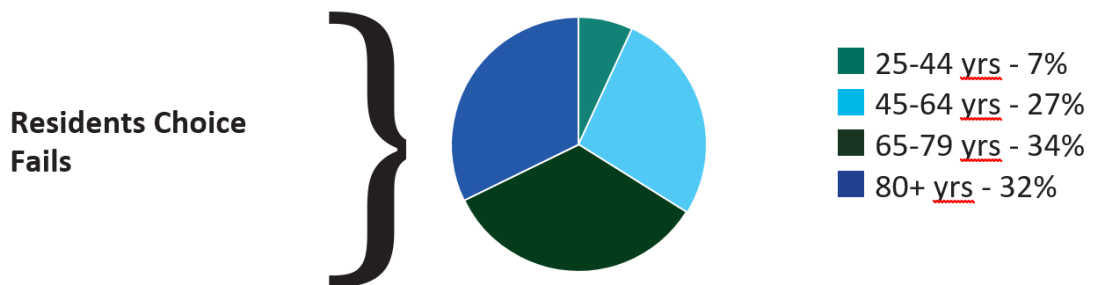
do not currently meet the CHS+?

Some tenants have chosen not to have the work done (Residents' choice) because they were happy with their homes, have made their own improvements or some, particularly older tenants, do not want the disruption. This is, by far, the main reason why homes do not currently meet the standard.



We know that 95% of our acceptable fails are as a result of residents' choice. The remaining 5% being the cost of the remedy or physical constraints.

We also know that 32% of the residents who chose not to have the CHS+ works completed are aged 80 or over and a further 34% are between the age of 65 and 79.



For homes where part or some of the work has previously been declined we will:

- Contact tenants who have previously declined CHS+ works to discuss any issues they have and agree with them when works are to be programmed; and
- Ensure homes have the appropriate smoke alarms, heat detectors or carbon monoxide devices, and discuss with tenants how we can upgrade these to improve the fire safety within their homes.

For empty homes where there is some or all of the CHS+ work to be completed we will:

- Complete individual options appraisals if homes are no longer fit for purpose to determine best course of action, including considering demolishing homes, or disposing of them;
- Make sure that homes are maintained to our standards and any repairs from previous tenants have been carried out before a new tenant moves in, together with making sure gardens are clear of rubbish and safe to use;
- Bring all homes up to the CHS+, except in exceptional circumstances, such as people fleeing domestic violence, flood or fire (this list is not exhaustive);

- Ensuring every new tenant receives a home information pack, to include information on boiler inspections, asbestos advice, Energy Performance Certificates (EPCs), electrical tests, recycling and service charges if applicable; and
- Provide additional investment to bring the “back-log” of major works voids back into use.

We have recently reviewed our approach to fire safety across all our stock, and our approach to when tenants have requested not to have work carried out. We believe that it is in the best interest of tenants, and to protect our investment, that tenants will no longer have the option to decline electrical works including the installation of hard wired smoke detectors and Carbon Monoxide (CO) detectors.

For homes where we believe the above work has not been upgraded, we will:

- Continuing our annual programme of safety checks on gas fires, and gas or oil boilers, and only replace boilers with energy-efficient condensing boilers, when defective and no longer economical to run; and
- Checking homes have the appropriate smoke alarms, heat detectors or carbon monoxide devices, and discussing with tenants how we can upgrade these;
- Gain access to ensure that the necessary works are completed; and
- Install servicing timers when we gain access (where a tenant repeatedly does not give us access), to help tenants understand and manage their responsibilities under their tenancy agreement and help us to protect the lives of tenants.

Have we any plans to improve the CHS +?

As has been stated our CHS(+) Business Plan takes account of supporting tenant’ and residents in their home, increasing the supply of affordable of homes as well as maintaining the standard to existing homes.

We are looking to improve the existing standards to maintain and this will need to be carried out in partnership with tenants and members.

CHS was originally set by our tenants and it is very important that any changes are driven by them, within the financial resources that are available. Examples of areas that may be considered include:

- Reviewing specification of key components e.g. bathrooms/kitchens
- Increasing technology in the home to save money; and
- Developing a different standard for older people’s accommodation to suit future needs

How do we go about monitoring progress on the CHS+?

As well as our reporting mechanisms to Welsh Government our CHS(+) compliance is monitored and reported through a robust governance structure that includes:

- A cross departmental Director led Steering Group
- Operational sub groups aligned to our three main themes

- A Project Working Group focusing on financial monitoring
- A Housing Services Advisory Panel consisting of tenants, members and officers; and
- A CHS+ Consultative Group

We also have a Corporate and Departmental Performance Management Framework that monitors quarterly/ monthly performance on key CHS+ measures. Measures are also reported through our Scrutiny and Improvement Plan processes.

How do we prepare our financial plan to deliver our work programmes to maintain the standard?

As part of the development of the annual CHS+ business plan we;

- Assess variations in forecast expenditure and income, including likely rent increases and interest payments,
- Consider emerging pressures and opportunities in consultation with service managers and tenants e.g. relating to what matters to tenants, new legislation, demographic changes and asset management priorities,
- Carry out a cost certainty exercise over three, five and 30 years (three year detailed component analysis); and
- Confirm level of investment possible in relation to our borrowing cap.

In order to make sure we are fully equipped to maintain the CHS (+) in the future we are now investing in a new HRA Business Planning model, developed by Capita Housing and Consultancy. The model is specifically designed for use with the new financing regime for local authorities with retained stock.

The model generates a full set of revenue and capital cash flows, based on the best currently available local information. It produces a range of summary tables and charts, offering flexibility in how we use it. With a relatively few number of inputs, the model will produce a full set of forecasts. More complex modelling can also be carried out if needed.

How do we manage the stock information to inform future planning to maintain the CHS+?

Stock Condition

Before implementing the CHS an internal asset management database was developed to produce the programme of works. This was populated through an 80% stock condition survey and information received from major works programmes at the time. The remaining property data was modelled giving a high level of accuracy to achieve the CHS.

Managing housing assets goes beyond just investing in good repair and improvements. Asset management is also about reviewing and potentially changing the asset base to end up with the right accommodation in the right location, supported by excellent, flexible services for our tenants. It must consider quality and value for money, particularly the whole life of a home and how running costs will affect tenants.

By applying an effective asset management strategy to our 9,000 plus homes, it will also enable us to meet our legal requirement of maintaining the CHS+ in the future.

Consequently our approach is underpinned by the following principles:

- Carrying out regular stock condition surveys to assess condition, use and required investment;
- A planned maintenance programme achieving economies by replacing components e.g. kitchen, bathrooms etc. based on need, not time;
- A regular cyclical maintenance programme for certain components in a home e.g. heating appliances, electrical upgrades and external painting;
- A continual programme of works to meet Health and Safety requirements e.g. asbestos removal and structural repairs;
- A maintenance service to respond to unplanned failures in homes and to prevent deterioration in their condition e.g. boiler replacements;
- An efficient and effective voids repair service, helping to quicken the repairs process and save money by carrying out CHS+ works when a home becomes empty;
- A programme of environmental estate improvements that is strategically targeted;
- A basic check to all homes on an annual basis through our existing visits;
- A more in-depth visit to homes where there are potential issues in terms of condition, tenancy or welfare issues;
- Continuing to invest in adapting homes to suit the needs of tenants;
- Understanding the future investment needs for our sheltered housing stock, linking in with our Care Home development programme;
- Completing individual options appraisals if homes are no longer fit for purpose to determine the best course of action, including considering demolishing homes, or disposing of them;
- Completing options appraisals on sites that may need changing/converting into homes that can better meet housing need; and
- Delivering the targets within the Affordable Homes Delivery Plan.

When considering the above we will:

- Engage with tenants, stakeholders and Members using new ways of participation and challenging;
- As far as is possible, meet tenants aspirations and priorities;
- Maximise our assets and minimise liabilities;
- Seek value for money in all investment decisions and contract procurement;
- Comply with current and future regulations;
- Create good neighbourhoods for council tenants and their neighbours; and
- Provide assurance to the council's auditors and regulators that its housing service is well managed.

We fully recognise that in order to achieve the above we must ensure that:

- The right structures, skills, resources and capacity are in place to manage future programmes, procurement and contract management effectively;
- Robust stock condition information, data and analysis is in place to produce programmes of investment that will appropriately maintain and improve standards, as well as services to tenants;
- Our data is further enhanced and regularly validated by feedback from all programmed and cyclical repairs, and maintenance activities; and
- We complete our cost certainty exercise for our overarching 30 year financial plan.

Over the next 12 months we will be specifically focusing on ensuring that asset management resources, both people and systems, are challenged to make sure they are in the right areas for the future. Our joined-up approach will enable us to:

- Commence a rolling programme of stock condition survey to verify our cost certainty business plan, identify gaps and provide independent verification;
- Understand why work has not been completed within the stock e.g. the tenant has requested that no work be carried out; and
- Review our Asset Management Systems and Strategy to ensure all stock is fit for both current and emerging needs.

How do we link Welsh Government reporting with our business and asset plans?

We submit a three year Business Plan to the Welsh Government on an annual basis that reports progress on the delivery of the CHS (+). Underpinning our business plan will be our stock condition, asset management information and our 30 year financial projections.

We also provide quarterly monitoring reports on progress of the Business Plan to the Welsh Government as part of our Major Repairs Allowance (MRA) application, which is an annual grant of over £6 million to support investment in tenant homes.

Maintaining the CHS+ is now considered a medium risk by the Authority as part of its risk assessment process, and is still supported by robust governance arrangements through the Director led cross departmental Steering Group.

How will we go about verifying progress in the future?

Compliance and Acceptable Fails

Recording compliance and acceptable fails is not a simple collection of condition information for things like kitchens, bathrooms, electrics etc. It is a combination of occupancy and property condition information. Surveying of homes, collating of information, how we manage our data, and the ability to report 100% accurate information, are all data-hungry activities.

Energy Efficiency

We have had a number of different programmes running to improve the energy efficiency of homes. These programmes have helped save tenants money on their heating costs and improve the SAP rating of our homes. The average SAP across our stock is 65 out of 100.

Independent Verification

Whilst we believe that we are, and will continue to, accurately report compliance in achieving and maintaining the CHS+, we will also back this up with further verification by:

- Demonstrating compliance by ensuring there is a clear separation of duties between Carmarthenshire County Council staff reporting compliance and those staff responsible for delivering the CHS+;
- Using internal staff in conjunction with Internal Audit to undertake desktop reviews;
- Agreeing and commencing a sample programme of stock condition visits every year, carried out by an independent verifier;
- Asking tenants how they would like to be part of the process of verification;
- Continuing to use service reviews to assess compliance. Some data is already independently collected, e.g. boiler inspections, EPC's and electrical tests; and
- Introducing Home Information packs for all new tenants, informing them of boiler inspections, Asbestos advice, Energy Performance Certificates, electrical tests and when any outstanding CHS+ work will be carried out.

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Executive Board 4th February 2019

Subject		
Purpose: Treasury Management Policy and Strategy 2019-20		
Recommendations / key decisions required:		
<ol style="list-style-type: none"> 1. That Council formally approves the Treasury Management Policy and Strategy for 2019-20 and recommendations therein. 2. That Council formally approves the Treasury Management Indicators, Prudential Indicators, the MRP Statement and recommendations therein. 		
Reasons:		
To comply with the Revised CIPFA Prudential Code and the Revised CIPFA Treasury Management Code of Practice 2017.		
PEB :		
Relevant scrutiny committee to be consulted		
YES		
Scrutiny committee and date		
Policy & Resources Scrutiny Committee 6th February 2019		
Exec Board Decision Required	YES	
Council Decision Required	YES	
EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. D.M. Jenkins		
Directorate: Corporate Services		
Name of Director: Chris Moore	Designation: Director of Corporate Services	Tel No. 01267 224120; E Mail: CMoore@carmarthenshire.gov.uk
Report Author: Anthony Parnell	Designation: Treasury and Pension Investments Manager	Tel No. 01267 224180; E Mail: AParnell@carmarthenshire.gov.uk

EXECUTIVE SUMMARY
Executive Board
4th February 2019

SUBJECT

Treasury Management Policy and Strategy 2019-20

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

It is a requirement of the revised CIPFA Code of Practice on Treasury Management, which Council have adopted, that

a. The Council maintains a Treasury Management Policy which states the policies and objectives of the Authority's treasury management activities

and

b. The Council approves a Treasury Management Strategy annually before the start of the financial year to which it relates.

In addition, under the Local Government Act 2003 the Council approves the Treasury Management Indicators for the coming year.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: **C Moore** Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	NONE	NONE	NONE

1. Policy, Crime & Disorder and Equalities

Council has adopted the revised CIPFA Code of Practice on Treasury Management, one of the requirements is that an annual Treasury Management Policy and Strategy be approved by Council before the commencement of the year to which it relates.

2. Legal

Under the Local Government Act 2003 and the revised CIPFA Code of Practice on Treasury Management, local authorities must set out their Treasury Management Indicators that relate to the Authority's capital spending and its borrowing.

3. Finance

The Treasury Management Policy and Strategy details the procedures that the Authority adheres to in managing its treasury management function.

Interest paid and earned has a direct impact on the Authority's Revenue Budget. The estimated projections are included in the Budget which is to be presented to Council on 20th February 2019.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: C Moore Director of Corporate Services

(Please specify the outcomes of consultations undertaken where they arise against the following headings)

1. Scrutiny Committee

Policy and Resources Scrutiny Committee will be consulted on the 6th February 2019.

2. Local Member(s)

Not Applicable

3. Community / Town Council

Not Applicable

4. Relevant Partners

Not Applicable

5. Staff Side Representatives and other Organisations

Not Applicable

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
The Local Government Act 2003		County Hall, Carmarthen
Guidance issued by Welsh Government		County Hall, Carmarthen
Revised CIPFA Treasury Management Code of Practice and Cross-Sectoral Guidance Notes		County Hall, Carmarthen
Revised CIPFA Prudential Code for Capital Finance in Local Authorities		County Hall, Carmarthen

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**MEETING OF THE EXECUTIVE BOARD
DATE: 4th FEBRUARY 2019**

REPORT OF THE DIRECTOR OF CORPORATE SERVICES

TREASURY MANAGEMENT POLICY AND STRATEGY 2019-2020

A. INTRODUCTION

This Council carries out its treasury management activities in accordance with the Prudential Code of Practice first developed for public services in 2002 by the Chartered Institute of Public Finance and Accountancy (CIPFA). This Code was last revised in 2017. The Council also carries out its treasury management activities in accordance with the CIPFA Treasury Management Code of Practice 2017.

The revised Code identifies three key principles:

1. The Council should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.
2. The Council's policies and practices should make clear that the effective management and control of risk are prime objectives of their treasury management activities and that responsibility for these lies clearly within their Council. The Council's appetite for risk should form part of its annual strategy and should ensure that priority is given to security and liquidity when investing funds.
3. The Council should acknowledge that the pursuit of value for money in treasury management, and the use of suitable performance measures, are valid and important tools for responsible Councils to employ in support of their business and service objectives; and that within the context of effective risk management, the Council's treasury management policies and practices should reflect this.

B. CIPFA PRUDENTIAL CODE AND CIPFA TREASURY MANAGEMENT CODE OF PRACTICE

1. This Council has adopted the Revised CIPFA Prudential Code 2017 and the Revised CIPFA Treasury Management Code of Practice 2017.

This Revised CIPFA Treasury Management Code of Practice 2017 stipulates that there should be Member scrutiny of the treasury policies, Member training and awareness and regular reporting.

The objectives of the Revised Prudential Code 2017 are to ensure, within a clear framework, that the capital expenditure plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the organisation.

The Council has adopted the four clauses shown in 1.1 as part of its financial procedure rules and the Policy and Resources Scrutiny Committee is responsible for ensuring effective scrutiny of the treasury management strategy and policies, before making recommendations to Council.

The policies and parameters within this report provide an approved framework within which the officers undertake the day to day treasury activities.

- 1.1 The four clauses adopted are:

- (1) This Council will create and maintain, as the cornerstones for effective treasury management:

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
- Suitable Treasury Management Practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities

- (2) The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

This Council will therefore receive reports on its treasury management policies, practices and activities, including an annual strategy in advance of the year, a mid year review report and a year end annual report, in the form prescribed in its TMPs. This treasury management policy and strategy report includes the prudential indicators (Appendix D) and the minimum revenue provision (MRP) policy (Appendix E).

- (3) This Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices, and the quarter 1 and quarter 3 monitoring reports to the Executive Board, and for the execution and administration of treasury management decisions

to the Director of Corporate Services, who will act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

- (4) The Council nominates the Policy and Resources Scrutiny Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

1.2 **Treasury Management Practices (TMPs)**

The Schedule of TMPs is shown in Appendix A.

C. TREASURY MANAGEMENT POLICY

1. This Council defines its Treasury Management activities as:

The management of the Council's borrowing, investments and cash flows, its banking, money market and capital market transactions and the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.

'Investments' in the definition above covers all the financial assets of the organisation, as well as other non-financial assets which the organisation holds primarily for financial returns, such as investment property portfolios. This may therefore include investments which are not managed as part of normal treasury management or under treasury management delegations. All investments require an appropriate investment management and risk management framework under this Revised CIPFA Treasury Management Code of Practice 2017.

2. This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.

The key principle of control of risk and optimising returns consistent with the organisation's risk appetite should be applied across all investment activities, including more commercially based investments.

3. This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

This policy holds indefinitely until circumstances dictate that a change is necessary. Any changes must be done before the beginning of the financial year to which it relates, or in exceptional circumstances within the year if approved by Council.

It is the Director of Corporate Services responsibility to implement and monitor the Treasury Management Policy, revising and re-submitting the Policy for consideration to the Executive Board and the Council if changes are required.

D. TREASURY MANAGEMENT STRATEGY 2019-20

1. INTRODUCTION

1.1 The Treasury Management Strategy provides details of the expected activities of the Treasury Management function in the financial year 2019-20.

1.2 The Council's financial procedure rules require an annual strategy to be reported to Council outlining the expected treasury activity for the forthcoming year. A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. Further treasury reports will be produced during the year if the strategy needs updating and a year-end annual report on actual activity for the year.

1.3 The strategy covers:

- Treasury Indicators and Limits on Activity
- Prospects for interest rates
- Borrowing Strategy
- Investment Strategy
- Debt Rescheduling and Premature Repayment of Debt
- Performance Indicators
- Treasury Management Advisers
- Member and Officer Training

2. TREASURY INDICATORS AND LIMITS ON ACTIVITY

2.1 Under the Local Government Act 2003 and the Prudential Code for Capital Finance in Local Authorities (revised in 2017), local authority capital spending and its borrowing to fund that spending is limited by what is affordable, prudent and sustainable. The Prudential Code sets out a number of indicators that enables the authority to assess affordability and prudence. The Prudential Indicators that related to Treasury Management were reclassified as Treasury Indicators in recent revisions of the Codes and are:

- Upper Limit for Fixed Rate Exposure
- Upper Limit for Variable Rate Exposure
- Limits on the Maturity Structure of Borrowing
- Limits on Total Principal Sums Invested Long Term

In addition the Prudential Code requires that the total external debt does not exceed the Authorised Limit for external debt and only exceeds the Operational Boundary for external debt temporarily on occasions due to variation in cash flow. Full Council when approving the Budget sets the Authorised Limit and the Operational Boundary.

2.2 The Treasury Management Indicators for 2019-20 are:

2.2.1 Interest rate exposure limits for 2019-20 are estimated as follows:

Estimated Average Position for 2019-20			
	Fixed Interest Rate	Variable Interest Rate	Total
	£m	£m	£m
Borrowed	+446	+3	+449
Invested	(20)	(30)	(50)
Net Debt	+426	(27)	+399
Proportion of Total Net Debt	+107%	(7%)	+100%

It is recommended that the following maximum exposure limits are adopted:

	Fixed Interest Rate	Variable Interest Rate
Proportion of Total Net Debt	+125%	+5%

2.2.2 It is recommended that the following exposure limits for 2019-20, 2020-21 and 2021-22 are adopted:

Interest Rate Exposures	2019-20	2020-21	2021-22
	Upper	Upper	Upper
	£m	£m	£m
Limits on fixed interest rates based on net debt	515	550	566
Limits on variable interest rates based on net debt	51	55	57

2.2.3 It is recommended that the Council sets upper and lower limits for the maturity structure of its borrowing as follows:

	Upper Limit	Lower Limit
Under 12 months	15%	0%
12 months to 2 years	15%	0%
2 years to 5 years	50%	0%
5 years to 10 years	50%	0%
10 years to 20 years	50%	0%
20 years to 30 years	50%	0%
30 years to 40 years	50%	0%
40 years and above	50%	0%

2.2.4 Maximum principal sums invested longer than 365 days:

	2019-20	2020-21	2021-22
	£m	£m	£m
Maximum principal sums invested longer than 365 days	10	10	10

3. PROSPECTS FOR INTEREST RATES

Based on the average projection from a number of sources we can expect the trend in the Bank Rate, set by the Monetary Policy Committee, over the next three years to be as follows:

	Current	2019-20	2020-21	2021-22
	%	%	%	%
Average Bank Rate	0.75	1.06	1.38	1.81

4. BORROWING STRATEGY 2019-20 – 2021-22

4.1 Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts (and MPC decisions) will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

The overall balance of risks to the UK economy is probably to the downside, particularly with the current level of uncertainty over the final terms of Brexit.

The uncertainty over future interest rates increases the risks associated with treasury activity. As a result the Council will continue to take a cautious approach to its treasury management strategy.

Against this background and the risks within the economic forecast, caution will be adopted with the 2019-20 treasury operations. The Director of Corporate Services will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

The Director of Corporate Services, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely that shorter term fixed rates may provide lower cost opportunities in the short/medium term.

The option of delaying borrowing and utilising investment balances is likely to continue for the time being. However, this will be carefully reviewed to avoid incurring higher borrowing costs in later years due to an overall current trend of rising rates. This strategy reduces counterparty risk and hedges against any expected fall in investment returns.

The Council continues to maintain an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk should still be considered.

The timing of any action is important and the Director of Corporate Services and treasury advisers will monitor prevailing rates for any opportunities during the year.

The Council will be expected to borrow, for the Carmarthenshire led projects within the Swansea Bay City Deal partnership, £40m for the Life Science & Wellbeing Village and £2m for Yr Egin from 2019-20 to 2021-22.

4.2 The Council's agreed policy is to raise funding only from the following:

Public Works Loan Board (PWLB)
Market Long-Term (including European Investment Bank (EIB))
Market Temporary
Local Authorities
Overdraft
Internal Capital Receipts and Revenue Balances
Leasing
Welsh Government and Central Government

4.3 Borrowing in advance of need

The Council has some flexibility to borrow funds in advance of future years.

The Director of Corporate Services may do this under delegated power where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial or meet budgetary constraints. Whilst the Director of Corporate Services will adopt a cautious approach to any such borrowing, where there is a clear business case for doing so borrowing may be undertaken to fund the approved capital programme or to fund future debt maturities.

Borrowing in advance will be made within the constraints that:

- It will be limited to no more than 50% of the expected increase in borrowing needed (CFR) over the three year planning period; and
- Not to borrow more than 12 months in advance of need.

Risks associated with any advance borrowing activity will be appraised in advance and subsequently reported through the quarterly reporting mechanism.

5. INVESTMENT STRATEGY 2019-20 – 2021-22

5.1 INTRODUCTION

5.1.1 The Investment Strategy has been prepared with due regard to:

The Local Government Act 2003

Regulations made under the Local Government Act 2003 (as amended)

2017 Revised Prudential Code for Capital Finance in Local Authorities

The Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008

Guidance issued by the Welsh Government

2017 Revised CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes

CIPFA Treasury Management Guidance Notes 2018

5.1.2 **Key Objectives**

The Council's investment strategy primary objectives are:

- safeguarding the repayment of the principal and interest of its investments on time
- ensuring adequate liquidity
- the investment return

Following the interest rate views above, the current investment climate has counterparty security risk as the over-riding risk consideration. While there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far too early to be confident about how the next two to three years will actually pan out. As a result of concerns over Eurozone sovereign debt and the potential negative impact on the banking industry, officers have implemented detailed operational procedures which are included in the treasury management procedure manual. These procedures tighten the controls already in place in the approved investment strategy.

5.1.3 **Risk Benchmarking**

A development in the revised Codes and the WG Investment Guidance is the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance. Discrete security and liquidity benchmarks are new requirements to the Member reporting, although the application of these is more subjective in nature. The approach taken is attached at Appendix B.

5.2 **DEFINITIONS**

- 5.2.1 A credit rating agency is one of the following three companies: Fitch Ratings Limited (Fitch), Moody's Investors Service Limited (Moody's) and Standard and Poors (S&P).
- 5.2.2 An investment is a transaction that relies upon the power in section 12 of the Local Government Act 2003 and is recorded in the balance sheet under the heading of investments within current assets or long-term investments.

5.3 **INVESTMENT COUNTERPARTIES**

The Director of Corporate Services maintains a counterparty list in compliance with the following criteria and revises the criteria and submits them to Council for approval as necessary. This criteria is separate to that which approves Specified and Non-Specified investments as it selects which counterparties the Council will approve rather than defining what its investments are. The rating criteria use the lowest common denominator method of selecting counterparties and applying limits. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance if an institution is rated by all three agencies, two meet the Council's criteria, the other does not, the institution will fall outside the lending criteria.

5.3.1 **Investment Counterparty Selection Criteria**

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. To meet this main principle the Council will ensure:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment sections.
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

5.3.2 **UK Banks 1 (Upper Limit)** – This Council will use banks which have at least the following Fitch, Moody's and Standard & Poors ratings:

Short Term – F1, P-1, A-1

Long Term – AA-, Aa3, AA-

UK Banks 2 & UK Building Societies (Middle Limit) – This Council will use all UK Banks and Building Societies which have at least the following Fitch, Moody's and Standard & Poors ratings:

Short Term – F1, P-1, A-1

Long Term – A, A2, A

UK Banks Part Nationalised – Royal Bank of Scotland Group plc (Royal Bank of Scotland and National Westminster Bank). These banks will be included if they continue to be part nationalised or they meet the ratings above.

The UK Government (HM Treasury) holds 62.4% stake within Royal Bank of Scotland Group.

UK part nationalised banks which are significantly owned by the UK Government will be included as investment counterparties, as long as they continue to have appropriate UK Government support. UK Government backing provides a credit quality overlay above that provided by the credit rating agencies. The Royal Bank of Scotland Group plc will be monitored for any material reduction in state ownership or deterioration of the credit rating which suggests a reduction of its use or suspension from the counterparty list.

UK Banks 3 – The Council’s banker for transactional purposes if it falls below the above criteria. Balances will be minimised in both monetary size and time.

Money Market Funds – The Council will use AAA rated money market funds (MMFs) that are credit rated by at least two of the three credit rating agencies. These are pooled investment funds whose primary aims are liquidity and security and allow daily access to funds when required. Their operations are strictly regulated by the credit rating agencies and are operated by a financial institution but do not form part of that institutions assets, should the sponsoring institution fail the MMF is entirely separate, effectively owned by the investors. These types of funds invest in a range of instruments and institutions and therefore provide a low risk spread of investments.

The Money Market Fund reforms in Europe came into force during 2018 and provide the Council the opportunity to invest into Public Debt Constant Net Asset Value (“CNAV”) MMFs and Low Volatility NAV (“LVNAV”) MMFs. This is consistent with our current strategic approach.

UK Government (including gilts and the DMADF)

Local Authorities (including Police & Fire Authorities)

5.3.3 Use of additional information other than credit ratings

Under the Revised CIPFA Treasury Management Code of Practice 2017 the Council is still required to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. The market information (for example, negative rating watches/outlooks, individual/viability and support ratings) will be applied to compare the relative security of differing investment counterparties.

The UK Government, like other Western governments, are initiating market regulations which will mean they may not bail out financial institutions in the future. This will not be initiated until corresponding rules and regulations are in place so that institutions are much stronger and less likely to fail. Whilst not an immediate concern, officers will continue to monitor the situation and changes to future investment strategies are likely.

5.3.4 The time and monetary limits for institutions on the Council's Counterparty List are shown below: (Specified and Non-Specified Investments)

	Fitch	Moody's	Standard & Poors	Money Limit	Time Limit
Upper Limit Category - Short Term and Long Term	F1 AA-	P-1 Aa3	A-1 AA-	£10m	3 years
Middle Limit Category - Short Term and Long Term	F1 A	P-1 A2	A-1 A	£7m	1 year
Part Nationalised	-	-	-	£7m	1 year
Council's Banker (not meeting criteria above)	-	-	-	£3m	1 day
Other Institution Limits:					
- Any One Local Authority (including Police & Fire authorities)	-	-	-	£5m	1 year
- Any AAA Rated Money Market Fund CNAV	-	-	-	£5m	Daily Liquidity
- Any AAA Rated Money Market Fund LVNAV	-	-	-	£5m	Daily Liquidity
- Debt Management Account Deposit Facility (DMO)	-	-	-	£40m	6 months (max term specified by DMO)

5.3.5 There are two types of investments – Specified and Non Specified

5.3.5.1 Specified Investments

These investments are sterling investments of not more than one-year maturity. These are low risk assets where the possibility of loss of principal or investment income is small. These would include investments with:

- (1) The UK Government (such as the Debt Management Office, UK Treasury Bills or a Gilt with less than one year to maturity).
- (2) A local authority, police authority and fire authority.
- (3) Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency.
- (4) A body that has high credit quality (which may include a high credit rating by a credit rating agency) such as a bank or building society. For this purpose a body with a short term rating of F1, P-1 or A-1 will be considered high quality.

5.3.5.2 Non Specified Investments

These investments are any other type of investment (i.e. not defined as Specified in 5.3.5.1 above).

The maximum sum and time limit for non specified investments is £5m per counterparty with a limit of 3 years.

Non specified investments will only be made in local authorities, bodies with a minimum long-term credit rating of AA– and in AAA rated money market funds.

Note: Barclays Bank plc are the Council's current bankers. If the bank's credit rating falls and it no longer meets the criteria for a specified investment no deposits will be made with the exception of the bank's overnight (Moneymaster) account. The average day to day operational balance on the account will not exceed £3m in these circumstances. See 5.3.4 above.

In the normal course of the council's cash flow operations it is expected that both Specified and Non-specified investments will be utilised for the control of liquidity as both categories allow for short term investments.

The use of longer term instruments (greater than one year from inception to repayment) will fall in the non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded.

5.3.6 The Monitoring of Investment Counterparties

The credit ratings of counterparties are monitored regularly. The officers receive credit rating information (changes, rating watches and rating outlooks) from the treasury management advisers as and when ratings change, and counterparties are checked promptly. Occasionally ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Director of Corporate Services, and if required new counterparties which meet the criteria will be added to the list.

The criteria for choosing counterparties set out above provide a sound approach to investment in "normal" market circumstances. Whilst Members are asked to approve this base criteria above, under exceptional current market conditions the Director of Corporate Services will temporarily restrict further investment activity to those counterparties considered of higher credit quality than the minimum criteria set out for approval. These restrictions will remain in place until the banking system returns to "normal" conditions. Similarly the time periods for investments will be restricted.

Further restrictions would be the greater use of the Debt Management Account Deposit Facility (DMADF – an account within the Government Debt Management Office (DMO) which accepts local authority deposits), Money Market Funds, guaranteed deposit facilities and strongly rated institutions offered support by the UK Government. The credit criteria have been amended to reflect these facilities.

The present Schedule of Approved Counterparties for Lending 2019-20 is shown in Appendix C.

5.4 **LIQUIDITY OF INVESTMENTS**

Investments are made for periods which coincide with the Council's cash flow requirements.

When investing (within the risk criteria mentioned above), the aim is to achieve a level of return greater than would be secured by internal investments. The "7 day LIBID rate" is the recognised rate which the Council aims to exceed when lending money.

5.5 **INVESTMENTS THAT ARE NOT PART OF TREASURY MANAGEMENT ACTIVITY**

This Council recognises that investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful investment management. Such activity includes loans supporting service outcomes, investments in subsidiaries, and investment property portfolios.

This Council will ensure that all the organisation's investments are covered in the investment strategy or equivalent, and will set out, where relevant, the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.

The council will maintain a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisation's risk exposure.

Prior to making these investments, appropriate financial review procedures will be undertaken, including Profit and Loss, Balance Sheet and cash flow monitoring, as appropriate.

This Council acknowledges that it is critical that due diligence processes and procedures reflect the additional risk an organisation is taking on. Due diligence procedures should ensure effective scrutiny of proposed investments, identification of risk to both capital and returns, any external underwriting of those risks, and the potential impact on the financial sustainability of the organisation if those risks come to pass. Where necessary independent and expert advice should be sought to ensure due diligence is suitably robust.

6. **DEBT RESCHEDULING AND PREMATURE REPAYMENT OF DEBT**

As short term borrowing rates are likely to be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings
- helping to fulfil the treasury strategy
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by utilising current investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

7. **PERFORMANCE INDICATORS**

The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. Examples of performance indicators used for the treasury function are:

- Debt (Borrowing) – New borrowing rate to outperform the average PWLB rate for the year
- Debt – Average weighted debt rate movement year on year
- Investments – Return on Investments to outperform the average “7 day LIBID rate”

The results of these indicators will be reported in the Treasury Management Annual Report for 2018-19.

8. **TREASURY MANAGEMENT ADVISERS**

The Council has a contract with Link Asset Services as its external treasury management advisor.

Link provides a range of services which include:

- Technical support on treasury matters, capital finance issues and the drafting of Member reports
- Economic and interest rate analysis
- Debt advisory services which includes advice on the timing of borrowing
- Debt rescheduling advice surrounding the existing portfolio
- Generic investment advice on interest rates, timing and investment instruments
- Credit ratings/market information service comprising the three main credit rating agencies

Under current market rules and the Revised CIPFA Treasury Management Code of Practice 2017 the responsibility for treasury management decisions remains with the Council at all times ensuring that undue reliance is not placed upon the external service providers.

The Council also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources.

The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

9. **MEMBER & OFFICER TRAINING**

The increased member consideration of treasury management matters and the need to ensure officers dealing with treasury management are trained and kept up to date requires a suitable training process for members and officers. This Council has addressed this important issue by:

- Reviewing the treasury management function and ensuring officers are suitably qualified
- Arranging external training for officers
- Arranging training for those members charged with governance of the treasury management function

RECOMMENDATIONS

1. **That Council formally approves the Treasury Management Policy and Strategy for 2019-20 and recommendations therein.**
2. **That Council formally approves the Treasury Management Indicators, Prudential Indicators, the MRP Statement and recommendations therein.**

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TREASURY MANAGEMENT PRACTICES (TMPs)

TMP1 RISK MANAGEMENT

General Statement

This Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures cover all external investment.

The Director of Corporate Services or those persons to which delegation has been made will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in TMP 6 Reporting requirements and management information arrangements. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out below.

1.1 Credit and Counterparty Risk Management

Explanation

The risk of failure by a third party to meet its contractual obligations to the Council under an investment, borrowing, capital, project or partnership financing, particularly as a result of the third party's diminished creditworthiness, and the resulting detrimental effect on the Council's capital or current (revenue) resources.

Council Action

This Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved instruments, methods and techniques and listed in the Annual Treasury Management Policy and Strategy Statement. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

A detailed list of counterparties to which the Council will lend is appended to the Annual Treasury Management Policy and Strategy Statement.

1.2

Liquidity Risk Management

Explanation

The risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional budgeted costs, and that the organisation's business/service objectives will therefore be compromised.

Council Action

The Council through its Treasury Management officers will ensure that at all times there will be a surplus of cash available which can be called upon at a moment's notice. Through its investments the Council holds cash on call account(s) which is available at any time. By the use of an effective projected cash flow exercise the likelihood of cash being not readily available when required would be rare. Robust daily, weekly, monthly and annual cash flow forecasting is in place. Call accounts and fixed term investments are utilised to their full potential. This Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

1.3

Interest Rate Risk Management

Explanation

The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.

Council Action

This Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with TMP6 Reporting requirements and management information arrangements.

It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be the subject to the consideration and, if required, approval of any policy or budgetary implications.

1.4

Exchange Rate Risk Management

Explanation

The risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately. The Council is awarded grant from specific programmes in Euro currency and consequently receives grant income in this currency. Where the Council is a joint beneficiary and not a lead beneficiary, payments are received from the lead beneficiary in Euros into the Council's Sterling bank account.

There is a negligible risk where the Council is a joint beneficiary.

Where the Council is a lead beneficiary for a grant and is receiving income in Euro currency on behalf of other beneficiaries, the income is received into and payments made in Euros from the Euro bank account.

Council Action

Currently the Council only invests in sterling products. Hence, there is no exchange rate risk with regard these investments. For grants where the Council is lead beneficiary, receiving income in Euro currency on behalf of other beneficiaries and reimbursing them, exchange risk is mitigated by using an Euro bank account.

1.5

Inflation Risk Management

Explanation

Inflation risk, also called purchasing power risk, is the chance that the cash flows from an investment won't be worth as much in the future because of changes in purchasing power due to inflation.

Council Action

The Council will keep under review the sensitivity of its treasury assets and liabilities to inflation, and will seek to manage the risk accordingly in the context of the whole Council's inflation exposures.

Refinancing Risk Management**Explanation**

The risk that maturing borrowings, capital project or partnership financing cannot be refinanced on terms that reflect the provisions made by the organisation or those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.

Council Action

This Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time. It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid overreliance on any one source of funding if this might jeopardise achievement of the above.

Legal and Regulatory Risk Management**Explanation**

The risk that an organisation itself, or a third party with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.

Council Action

This Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP 1 credit and counterparty risk management it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the organisation, particularly with regard to duty of care and fees charged.

This Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimize the risk of these impacting adversely on the Council.

Fraud, Error and Corruption, and Contingency Management**Explanation**

The risk that an organisation fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk.

Council Action

This Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

Price Risk Management**Explanation**

The risk that, through adverse market fluctuations in the value of the principal sums the organisation invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.

Council Action

This Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

PERFORMANCE MEASUREMENT**Explanation**

Performance measurement is a process designed to calculate the effectiveness of a portfolio's or manager's investment returns or borrowing costs and the application of the resulting data for the purposes of comparison with the performance of other portfolios or managers, or with recognised industry standards or market indices.

Council Action

This Council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its treasury management policy statement.

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, of the availability of fiscal or other grant or subsidy incentives, and of the scope of other potential improvements.

TMP3

DECISION MAKING AND ANALYSIS

Explanation

It is vital that the treasury management decisions of organisations in the public service should be subjected to prior scrutiny. The treasury management strategy is approved annually by full council and supplemented by the provision of monitoring information and regular review by councillors in both executive and scrutiny functions. In addition all records should be kept of the processes and the rationale behind those decisions. In respect of each decision made the Council should:

- 3.1 ensure that its results are within the limits set in the Prudential Indicators.
- 3.2 be clear about the nature and extent of the risks to which the Council may become exposed.
- 3.3 be certain about the legality of the decision reached and the nature of the transaction, and that all authorities to proceed have been obtained.
- 3.4 be content that the documentation is adequate both to deliver the Council's objectives and protect the Council's interest, and to deliver good housekeeping.
- 3.5 ensure that third parties are judged satisfactorily in the context of the Council's credit worthiness policies, and that limits have not been exceeded.
- 3.6 be content that the terms of any transactions have been fully checked against the market, and have been found to be competitive.
- 3.7 in respect of borrowing the Council should evaluate the economic and market factors that influence the manner and timing of any decision to fund.

- 3.8 consider the merits and demerits of alternative forms of funding, including funding from revenue, leasing and private partnerships.
- 3.9 consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use and, if relevant, the opportunities for foreign currency funding.
- 3.10 consider the ongoing revenue liabilities created, and the implications for the Council's future plans and budgets.
- 3.11 in respect of investment decisions, the Council should consider the optimum period, in the light of cash flow availability and prevailing market conditions.
- 3.12 consider the alternative investment products and techniques available, especially the implications of any which may expose the Council to changes in the value of its capital.

Council Action

This Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.

TMP4

APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

Explanation

It is important that the Council is clear about the treasury management instruments, methods and techniques used as one of the main issues to be taken into account when reaching decisions in the need to protect public funds. This treasury management practice requires that the Council is equipped with the skills and experience to evaluate and control the risks and advantages associated with using the instruments available to it before including them in the approved list. Only instruments that the organisation has the skills and experience to evaluate should be included in their approved list, even if they are legally permitted to do so. This principle applies to investment, borrowing and other means of raising capital and project finance, and to the use of one off-market or financial derivative instruments such as interest rate swaps. The consideration of skills and experience is particularly critical where organisations request to be treated as professional clients under MIFID II. Designation under MIFID II should be endorsed by the treasury management strategy and regularly reviewed to ensure that designation remains appropriate.

Council Action

This Council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the policy, and within the limits and parameters defined in Treasury Management Practice 1 Risk Management.

This Council has reviewed its classification with financial institutions under MIFID II and has set out in the schedule to this document those organisations with which it is registered as a professional client and those with which it has an application outstanding to register as a professional client.

TMP5

ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS

Explanation

It is considered vital that there should be a clear division of responsibilities, included in a written statement of the duties of each post engaged in Treasury Management. It is especially important that staff responsible for negotiating and closing deals are not responsible for recording them, or for maintaining the cash book. This is in order to create a framework for internal check, and reflects both the variety of activities in treasury management and the very often large sums involved.

Council Action

This Council considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If and when this Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the responsible officer will ensure that the reasons are properly reported in accordance with Treasury Management Practice 6 Reporting requirements and management information arrangements, and the implications properly considered and evaluated.

The Director of Corporate Services will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangements for absence cover.

The Director of Corporate Services will ensure there is a proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

TMP6

REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

Explanation

It is recommended that the Council's treasury management policy statement should specify formal reporting arrangements by the Director of Corporate Services to full Council, to include at a minimum annual reports both before, mid-year and after the year-end.

Council Action

This Council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies, on the effects of decisions taken and transactions executed in pursuit of those policies, on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities and on the performance of the treasury management function.

The following reporting process has been agreed by the Council:

6.1 Annual Reporting Requirements before the start of the year:

- Review of the Council's approved clauses, treasury management policy statement and practices
- Strategy report on proposed treasury management activities for the year
- Proposed Treasury Management and Prudential Indicators

6.2 Quarter 1 and Quarter 3 Reporting Requirements during the year which will be presented to both Executive Board and Policy and Resources Scrutiny Committee:

- Activities undertaken
- Variations (if any) from agreed policies/practices
- Performance report

- Performance against Treasury Management and Prudential Indicators
- 6.3 Mid Year Reporting Requirements during the year which will be presented to Council, Executive Board and Policy and Resources Scrutiny Committee:
- Activities undertaken
 - Variations (if any) from agreed policies/practices
 - Performance report
 - Performance against Treasury Management and Prudential Indicators
- 6.3 Annual Reporting Requirements after the year end
- Transactions executed and their revenue (current) effects
 - Report on risk implications of decisions taken and transactions executed
 - Compliance report on agreed policies/practices, and on statutory/regulatory requirements
 - Performance report
 - Report on compliance with Revised CIPFA Treasury Management Code of Practice 2017 recommendations
 - Performance against Treasury Management and Prudential Indicators

By undertaking the above it will ensure, as a minimum, that those with ultimate responsibility for the treasury management function appreciate fully the implications of treasury management policies and activities, and that those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting.

TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

Explanation

It is recommended that the Council brings together for budgeting and management control purposes, all of the costs and revenues associated with the Council's treasury management activities, regardless of how the Council has actually organised the treasury management function. In this context the Council's treasury management budgets and accounts should clearly identify.

- Manpower numbers and related costs
- Premises and other administrative costs
- Interest and other investment income
- Debt and other financing costs (or charges for the use of assets)
- Bank and overdraft charges
- Brokerages, commissions and other transaction-related costs
- External advisers' and consultants' charges

It is normal practice for the external auditor to have access to all papers supporting and explaining the operation and activities of the treasury management function. The auditor will be expected to enquire as to whether the Revised CIPFA Treasury Management Code of Practice 2017 has been adopted, and whether its principles and recommendations have been implemented and adhered to. Any serious breach of the recommendations of the Revised CIPFA Treasury Management Code of Practice 2017 should be brought to the external auditor's attention.

Council Action

The Director of Corporate Services will prepare, and this Council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 Risk management, TMP2 Performance Measurement, and TMP4 Approved instruments, methods and techniques. The Director of Corporate Services will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with TMP6 Reporting requirements and management information arrangements.

The calculation and compliance of Treasury Management and Prudential Indicators will be examined by the Wales Audit Office.

This Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being. This Council will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfillment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices.

TMP8 **CASH AND CASH FLOW MANAGEMENT**

Explanation

The preparation of cash flow projections on a regular and timely basis provides a sound framework for effective cash management. Procedures for their preparation and review/modification, the periods to be covered, sources of data etc. should be an integral part of the schedules to the Council's approved treasury management practices.

Council Action

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Director of Corporate Services and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the Director of Corporate Services will ensure that these are adequate for the purposes of monitoring compliance with Treasury Management Practice 1 (2) liquidity risk management.

TMP9 **MONEY LAUNDERING**

Explanation

Money Laundering has the objective of concealing the origin of money generated through criminal activity. Legislation has given a higher profile to the need to report suspicions of money laundering. Also, organisations such as Councils that undertake business under the Financial Services Act, or engage in certain specified activities, are required to set up procedures to comply with Money Laundering Regulations 2007. These require Councils:

- To set up procedures for verifying the identity of clients
- To set up record-keeping procedures for evidence of identity and transactions
- To set up internal reporting procedures for suspicions, including the appointment of a money laundering reporting officer
- To train relevant employees in their legal obligations
- To train those employees in the procedures for recognising and reporting suspicions of money laundering

The Council should establish whether the Money Laundering Regulations 2007 apply to them. And it is for individual organisations to evaluate the prospect of laundered monies being handled by them, and to determine the appropriate safeguards to be put in place. It is the legal responsibility of every person engaged in treasury management to make themselves aware of their personal responsibilities, but the Revised CIPFA Treasury Management Code of Practice 2017 recommends that Councils bring them to their staff's attention and consider the appointment of a member of staff to whom they can report any suspicions.

Council's Action

This Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained.

TMP10 TRAINING AND QUALIFICATIONS

Explanation

All Councils should be aware of the growing complexity of treasury management. Modern treasury management demands appropriate skills, including a knowledge of money and capital market operations, an awareness of available sources of funds and investment opportunities, an ability to assess and control risk, and an appreciation of the implications of legal and regulatory requirements.

Every Council should provide the necessary training, having assessed the professional competence of both those involved in the treasury management function, and those with a policy, management or supervisory role. If necessary, they should ensure that access exists to the necessary expertise and skills from external sources. Arrangements to ensure the availability of suitable skills and resources should recognize the prospect that staff absences may, at times, demand that others step in who do not normally have involvement on a day-to-day basis with the treasury management function.

When feasible in the context of the size of a particular organisation and its treasury management function, career progression opportunities should be provided and succession issues should be properly addressed. Secondments of senior management to the treasury management function for appropriate periods may benefit the effectiveness of the function as a whole.

Council Action

This Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and

responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The Director of Corporate Services will recommend and implement the necessary arrangements.

The Director of Corporate Services will ensure that council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

TMP11 USE OF EXTERNAL SERVICE PROVIDERS

There are a number of service providers available to support the treasury management activities of public service organisations.

Perhaps the most active and long-standing of these have been the money-broking companies, whose role it is to act as intermediaries, making introductions between the prospective parties to transactions.

It is not the role of brokers to provide advice on the creditworthiness of those organisations to which public service organisations may lend. They may provide information already in the public domain, but may not interpret it. The use of brokers is a matter for local decision. But it is considered good practice, if their services are used, to ensure that business is spread between a reasonable number of them, and certainly no fewer than two. And it is not uncommon for their services to be the subject of a competitive tendering process every few years.

Direct dealing with principals is a not uncommon feature of treasury management in the public services which, if nothing else, can provide a useful check on brokers' performance.

An issue that causes some debate is whether it is necessary or desirable for public service organisations to tape conversations with brokers and principals. This is a matter for local discretion, particularly in the context of the costs involved, but is generally to be recommended.

Most public service organisations require the services of clearing bankers, and a growing number make use of the services of a wider group of banks, particularly to meet their need for private finance and partnership funding. The principles of competition need to be recognised here, too. Certainly, it is highly desirable to subject clearing banking services to competition, perhaps as frequently as every three or four years.

There has also been a growing tendency for public service organisations to employ external advisers and consultants, often for the purposes of a general treasury management advisory service, but also for specific purposes, such as the securing and structuring of funding and for partnership arrangements. These, too, should be

the subject of regular competitive tendering.

Further, many public service organisations employ the services of external investment managers to help manage their surplus cash and, where relevant, their pension fund, trust fund or endowment fund assets.

CIPFA advises all organisations using the services of external service providers to document comprehensively the arrangements made with them.

Council Action

The Council recognises that responsibility for treasury management decisions remain with the Council at all times. It recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which will have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid overreliance on one or a small number of companies.

TMP12 CORPORATE GOVERNANCE

The Revised CIPFA Treasury Management Code of Practice 2017 recommends that public service organisations state their commitment to embracing the principles of corporate governance in their treasury management activities, notably openness and transparency.

It is CIPFA's view that:

- adoption of the principles and policies promoted in the Revised CIPFA Treasury Management Code of Practice 2017 and in these guidance notes will in itself deliver the framework for demonstrating openness and transparency in an organisation's treasury management function
- publication of and free access to information about an organisation's treasury management transactions and other public documents connected with its treasury management activities will further assist in achieving this end
- establishing clear treasury management policies, the separation of roles in treasury management and the proper management of relationships both within and outside the organisation will establish the integrity of the function
- robust treasury management organisational structures, together with well-defined treasury management responsibilities and job specifications, will enhance accountability

- equality in treasury management dealings, absence of business favouritism and the creation of keen competition in treasury management will lay the groundwork for fairness.

The following paragraphs further emphasise the practices that CIPFA believes an organisation should employ to ensure the principles of corporate governance are successfully implemented.

Procedural responses

The policies, strategies of treasury management should link clearly to the organisation's other key policies and strategies. In the management of risk, in particular, treasury risk management should be an integral part of its overall risk management processes, culminating in a well-defined, organisation-wide strategy for the control of risk and contingency planning.

The management and administration of treasury management should be robust, rigorous and disciplined. Over the years, some of the most significant examples of treasury mismanagement, in both the public services and the private sector, have resulted from procedural indiscipline. This has frequently been as a result of a failure to apply otherwise well-documented management and administration systems, or through failures in transmission, documentation or deal recording processes.

Reporting arrangements should be applied so as to ensure that those charged with responsibility for the treasury management policy have all the information necessary to enable them to fulfil openly their obligations; and that all stakeholders are fully appraised of and consulted on the organisation's treasury management activities on a regular basis.

The procedures for monitoring treasury management activities through audit, scrutiny and inspection should be sound and rigorously applied, with an openness of access to information and well-defined arrangements for the review and implementation of recommendations for change.

The application and interpretation of performance data should be clear, concise and relevant to the organisation's treasury management activities.

Stewardship responsibilities

The Director of Corporate Services should ensure that systems exist to deliver proper financial administration and control, and a framework for overseeing and reviewing the treasury management function.

As regards a control framework, an organisation's formal policy documents should define clearly procedures for monitoring, control and internal check.

With regard to delegation it is vitally important that those involved in the implementation of treasury management policies and the execution of transactions are unambiguously empowered to undertake their tasks, and that reporting lines are well-defined.

An organisation's adoption of and adherence to the Revised CIPFA Treasury Management Code of Practice 2017 should be widely broadcast, as should the principles of the Revised CIPFA Treasury Management Code of Practice 2017 and the method of its application in the organisation.

The organisation's procedures for reviewing the value of the treasury management function, and the implementation of opportunities for improvement, should be both continuous and open to examination.

The governance of others

In respect of the organisation's dealings with counterparties, external service providers and other interested parties, clear procedures should exist to enable the organisation, as far as is practicable, to monitor their adherence to the legal or regulatory regimes under which they operate.

Council Action

This Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

In respect of external service providers appropriate financial review procedures will be undertaken, including Profit and Loss, Balance Sheet and cash flow monitoring, as appropriate.

This Council has adopted and has implemented the key recommendations of the Revised CIPFA Treasury Management Code of Practice 2017. This is considered vital to the achievement of proper corporate governance in treasury management, and the Director of Corporate Services will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

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SECURITY, LIQUIDITY AND YIELD BENCHMARKING

Member reporting on the consideration and approval of security and liquidity benchmarks will continue. These benchmarks are targets and so may be breached from time to time. Any breach will be reported, with supporting reasons in the Annual Treasury Management Report.

1. **Security**

In context of benchmarking, assessing security is a subjective area to assess. Security is currently evidenced by the application of minimum credit quality criteria to investment counterparties, primarily through the use of credit ratings supplied by the three main credit rating agencies (Fitch, Moody's and Standard and Poor's). Whilst this approach embodies security considerations, benchmarking levels of risk is more problematic. One method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Council's investment strategy.

The table below shows average defaults for differing periods of investment grade products for each Fitch/Moody's and Standard & Poor's long term rating category.

Long term rating	1 year	2 years	3 years
AAA	0.00%	0.10%	0.18%
AA (includes AA- and AA+)	0.02%	0.04%	0.10%
A	0.05%	0.15%	0.28%
BBB	0.16%	0.44%	0.77%
BB	0.71%	2.00%	3.47%
B	2.90%	7.00%	10.67%
CCC	18.74%	26.47%	31.60%

The Council's minimum long term rating criteria is currently "AA-" for any investment greater than one year and "A" for any investment up to one year. The average expectation of default for a one, two or three year investment in a counterparty with a "AA-" long term rating would be approximately 0.05% of the total investment and the average expectation of default for a one year investment in a counterparty with a "A" long term rating would be 0.05% of the total investment. This is only an average, any specific counterparty loss is likely to be higher, but these figures do act as a proxy benchmark for risk across the portfolio.

The Council's maximum security risk benchmark for the whole portfolio, when compared to these historic default tables, is:

- **0.18% historic risk of default when compared to the whole portfolio.**

In addition, the security benchmark for each individual year is:

	1 year	2 years	3 years
Maximum	0.05%	0.10%	0.18%

These benchmarks are embodied in the criteria for selecting cash investment counterparties and these will be monitored and reported to Members in the Annual Treasury Management Report. As this data is collated, trends and analysis will be collected and reported. Where a counterparty is not credit rated a proxy rating will be applied.

2. **Liquidity**

This is defined as “having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives” (Revised CIPFA Treasury Management Code of Practice). In respect of this area the Council seeks to maintain:

- Bank overdraft facility - £0.5m
- Liquid short term deposits of at least £10m available immediately on call

The availability of liquidity and the term risk in the portfolio can be benchmarked by the monitoring of the Weighted Average Life (WAL) of the portfolio – shorter WAL would generally embody less risk. In this respect the proposed benchmark is to be used:

- **WAL benchmark is expected to be 0.5 years, with a maximum of 1 year.**

3. **Yield**

Benchmarks are currently widely used to assess investment performance. The local measure of the yield benchmark is:

- Investments – Return on Investments to outperform the average 7 day LIBID rate

Security and liquidity benchmarks are intrinsic to the approved treasury strategy through the counterparty selection criteria and some of the prudential indicators. Proposed benchmarks for the cash type investments are shown above and form the basis of reporting in this area.

**Schedule of Approved Counterparties for Lending 2019-2020
(as at 28th January 2019)**

	<u>Fitch</u>		<u>Moody's</u>		<u>Standard and Poors</u>		<u>Money Limit</u> £'m	<u>Time Limit</u> years
	<u>Short Term</u>	<u>Long Term</u>	<u>Short Term</u>	<u>Long Term</u>	<u>Short Term</u>	<u>Long Term</u>		
<u>Upper Limit</u>	<u>F1</u>	<u>AA-</u>	<u>P-1</u>	<u>Aa3</u>	<u>A-1</u>	<u>AA-</u>	<u>10</u>	<u>3</u>
UK Banks								
HSBC Bank Plc	F1+	AA-	P-1	Aa3	A-1+	AA-	10	3
<u>Middle Limit</u>	<u>F1</u>	<u>A</u>	<u>P-1</u>	<u>A2</u>	<u>A-1</u>	<u>A</u>	<u>7</u>	<u>1</u>
UK Banks								
Banco Santander Central Hispano Group - Santander UK Plc	F1	A+	P-1	Aa3	A-1	A	7	1
Barclays Bank	F1	A+	P-1	A2	A-1	A	7	1
Lloyds Banking Group - Bank of Scotland Plc - Lloyds Bank	F1 F1	A+ A+	P-1 P-1	Aa3 Aa3	A-1 A-1	A+ A+	7 7	1 1
UK Building Societies								
Nationwide	F1	A	P-1	Aa3	A-1	A	7	1
<u>UK Banks Part Nationalised</u>								
Royal Bank of Scotland Group - National Westminster Bank Plc - Royal Bank of Scotland Plc							7 7	1 1
<u>Council's Banker</u>							3	1 day
<u>Other Institution Limits</u>								
Local Authorities								
Any One Local Authority (including police and fire authority)							5	1
Money Market Funds								
Any AAA Rated Money Market Fund CNAV							5	1
Money Market Funds								
Any AAA Rated Money Market Fund LVNAV							5	1
Debt Management Office							40	6 months (max term specified by DMO)

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1. THE PRUDENTIAL INDICATORS

The following indicators are based on the figures put forward within the Capital and Revenue Plans set out in this report.

1.1. Affordability

1.1.1. Estimates of ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Non-HRA	5.11%	5.92%	6.33%
HRA (inclusive of settlement figure)	32.75%	33.60%	34.24%

The estimates of financing costs include current commitments and the proposals in this budget report. These figures are however subject to change as and when the final funding approvals come through from the Welsh Government. Updates will be provided if these figures require amendment.

The indicators show the proportion of income taken up by capital financing costs. Indicative Aggregate External Finance (AEF) for 2020/2021 is a 1% decrease on 2019/2020 and for 2021/22 a 1% estimated decrease on 2020/2021.

1.2. Prudence

1.2.1. The Capital Financing Requirement (CFR)

This prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. The capital expenditure above, which has not immediately been paid for, will increase the CFR.

The Council is asked to approve the CFR projections below:

£m	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Non-HRA	296	312	311
HRA	166	187	205
HRAS*	73	71	70
TOTAL	535	570	586

1.2.2. The Gross Borrowing and Capital Financing Requirement indicator

The control mechanism to limit external debt.

Estimated gross borrowing for the four years starting with the last full year (2017/18) must not exceed the CFR in the medium term, but can in the short term due to cash flows.

Ensures borrowing is only for approved capital purposes.

The Director of Corporate Services reports that the authority complied with this requirement in 2017/18 and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in the budget report.

Details of Gross Borrowing:

£m	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Debt at 1 st April	388	400	416	486	549
Expected Change in Debt	12	16	70	63	37
Gross debt at 31st March	400	416	486	549	586
CFR	484	487	535	570	586
Under / (Over) borrowing	84	71	49	21	0

1.2.3. External Debt

The Authorised Limit and the Operational Boundary:

The Authorised Limit prudential indicator represents a control on the overall level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3(1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been exercised.

£m	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Borrowing	587.5	626.5	643.5
Other Long-Term Liabilities	0.5	0.5	0.5
Total	588.0	627.0	644.0

The Operational Boundary for external debt is based on the same estimates as the authorised limit, but without the additional headroom for unusual and unexpected cash movements, and equates to the level of projected external debt. This is clearly subject to the timing of borrowing decisions.

£m	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Borrowing	534.9	569.9	585.9
Other Long-Term Liabilities	0.1	0.1	0.1
Total	535.0	570.0	586.0

The Council is asked to approve both the Authorised Limit and the Operational Boundary shown above.

1.2.4. Actual External Debt

The Council's actual external debt at 31st March 2018 was £400m. The actual external debt is not directly comparable to the authorised limit and operational boundary because the actual external debt reflects the position at a point in time.

It is recommended that the above Prudential Indicators are adopted and that the Director of Corporate Services is given delegated authority by Council to change the balance between borrowing and other long-term liabilities.

Other long-term liabilities are other credit arrangements, which are, in the main, finance leases.

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MINIMUM REVENUE PROVISION (MRP) STATEMENT

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision – MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision – VRP).

Welsh Government regulations were issued with effect from 1st April 2010 which require the full Council to approve a Minimum Revenue Provision (MRP) Statement in advance each year. A variety of options were provided to councils to replace the existing Regulations, as long as there is a prudent provision.

Council have already approved the following approaches for calculating MRP:

Supported Borrowing and Capital Expenditure

Based on CFR

The calculation is based on 4% of the opening Capital Financing Requirement (CFR) each year.

Supported borrowing and expenditure incurred before 1st April 2008, as at 31st March 2016 - to be charged to revenue over 40 years (2.5% straight line basis).

Unsupported Borrowing

Asset Life Method

The future borrowing value of unsupported borrowing is to be charged to revenue over 40 years or by the estimated economic life of the asset if shorter, please see below.

Capital Expenditure on the Modernising Education Programme (MEP) and Local Government Borrowing Initiative (LGBI) 21st Century Schools is classed as Unsupported Borrowing. It is estimated that asset lives within these programmes are 30 years and this is the period that will be used to determine the MRP.

Asset lives within the Fleet Programme range from 1 to 10 years, these are the periods that will be used to determine the MRP.

Local Government Borrowing Initiative (LGBI) Highways. It is estimated that asset lives within this programme are 20 years and this is the period that will be used to determine the MRP.

Housing Revenue Account

The calculation is based on 2% of the opening Capital Financing Requirement (CFR) each year.

Council is recommended to approve the following MRP Statement for 2019/2020:

For Supported and Unsupported Capital Expenditure, the MRP policy will continue to follow the approaches above.

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EXECUTIVE BOARD 4TH FEBRUARY 2019

CARTREFI CROESO CYFYNGEDIG. FINANCING REQUIREMENT

The purpose of this report is to secure an appropriate consolidated finance facility to allow Cartrefi Croeso Cyfyngedig to commence the development of two schemes and meet the on-going funding of operating costs and future scheme development costs, as well as the provision of headroom to commence future schemes that are identified as being viable.

Recommendations / key decisions required:

To agree to a funding facility as follows:

1. Maximum funding facility of £6m
2. Duration of arrangement – 5 years. This is based on the loan being for the scheme developments and repaid within the business plan timescales.
3. Interest at 1.6% above the rate set by the PWLB reflecting the part security that will be available to the Council from the land/works prior to sale
4. Funding facility to be operated as an overdraft arrangement – funds only drawn when required and balance reduced as receipts received.
5. Approval of the release of funding (up to the limit) is to be delegated to The Chief Executive and Director of Corporate Services, in consultation with the Executive Board member for Resources, with the facility to be administered as follows:
 - a) Release of the construction funding only when the tenders have been returned, the scheme is confirmed and assessed as still being viable, and the contractual arrangements are in place.
 - b) Development Agreement to be in place for the sale of the social housing to the Authority
 - c) Operating Costs: loan arrangements for circa £280k per annum until the company is viable without that element of support
 - d) Project Development costs. The original allocated ceiling of £750k will suffice, and for monitoring and control of project development costs, itemised quarterly reports to be presented to the Chief Executive and Director of Corporate Services.
 - e) Future scheme construction. Approval of funding in principle (not exceeding facility ceiling in total) upon completion of site specific development appraisals and the release of construction funding only when the tenders have been returned and the scheme is confirmed and assessed as still being viable and the contractual arrangements are in place.
 - f) The conclusion of the detailed loan agreement to be delegated to the Chief Executive and Director of Corporate Services
6. Company to submit its 3 year business plan to the shareholder by 31st March annually so that the progress and viability of the funding arrangements can be monitored.

Reasons

To agree the funding facility to enable the company to proceed with the development proposals as outlined in the report.

Relevant scrutiny committee to be consulted No

Exec Board Decision Required YES

Council Decision Required YES

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr David Jenkins, Executive Board Member for Resources

Directorate: Corporate Services

Designations:

Tel No. 01267 224886

E Mail Addresses:

Name of Director:
Chris Moore

Director of Corporate Services

CMoore@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

CARTREFI CROESO CYFYNGEDIG – FINANCING REQUIREMENT

Background

The Executive Board agreed on the 4th June 2018 to the financing arrangements for Cartrefi Croeso Cyfengedig to sustain its operating and scheme development costs on the following basis:

Financing Requirements

- To note the Company's high level 2018-2023 Business Plan as developed by the Council's Housing Department/Communities Directorate, which will be refined following the detailed project feasibility studies and site investigations;
- To agree to meet the Company's 2017/18 establishment costs from existing revenue budgets to a maximum of £100,000;
- To agree an Operating Cost Loan to the Company in respect of its 2018/19 operating costs to a maximum of £280,000. This to be transferred in 25% tranches, quarterly, in advance;
- To agree a further Project Development Loan of a maximum of £750k, to be released in agreed tranches, to develop the detailed business of the company for further Council consideration, This loan will be utilised to progress:
 - Further development appraisal of eight sites, including 2 rural projects. This is to include detailed valuation, state aid, legal and taxation advice;
 - Detailed and comprehensive scheme development proposals/site investigations for three sites, including one rural, including:
 - Completing detailed financial modelling and securing associated legal and taxation advice.
 - Developing an effective procurement strategy.
 - Commissioning detailed technical appraisals and associated surveys such as site, soil, transport and ecological.
 - Undertaking liaison with utilities and statutory bodies.
 - Commissioning of detailed design brief and specification statement (which will also be utilised for following projects).
 - Receiving pre planning advice and completing pre planning consultation;
- An initial £250,000 of the detailed Project Development Loan will be made available to the Company to progress the proof of concept. Approval of the release of further tranches of funding (up to the loan limit) is delegated to The Chief Executive and Director of Corporate Services which will be released upon satisfactory commercial appraisal of the initial three proof of concept sites;
- It is noted that requests for further loans for major development expenditure (for example, land transfer, professional fees, construction costs) will come forward as and when necessary and will form part of the detailed business plan to be completed once the individual site appraisals have been finalised;
- Loan finance will be available at 3.5% above the rate set by the Public Works Loan Board (PWLb) for the Operating Cost Loan and 2.2% above the PWLb rate for the Project Development Loan. The conclusion of the detailed loan agreement to be delegated to the Chief Executive and Director of Corporate Services.

Current position.

- Operating costs.

Since the company commenced trading on the 3rd July 2018, it has operated within the operating loan facility of £280k (for a 12 month period), and is currently forecasting an under-spend of £13k in the nine month period to 31st March 2019.

- Project development costs.

To date, the company has committed £150.3k on scheme development works, the majority of which relate to development consultancy, engineering assessments and planning advice relating to the two sites - land to the rear of Maesgriffith, High Street Llansteffan and land at Glanmor Terrace, Burry Port.

- Major Development funding

Having undertaken the development appraisals, the company is now at the position that it requesting a funding arrangement to enable the major development expenditure (for example, land transfer, professional fees, construction costs) to proceed with and deliver the following two sites:

- land to the rear of Maesgriffith, High Street Llansteffan
- land at Glanmor Terrace, Burry Port.

Scheme overview:

Maesgriffith, High Street Llansteffan

- 6 two bedroom semi-detached houses (4 social)
- 6 three bedroom semi-detached houses (3 social)
- 4 four bedroom detached houses
- Traditional construction
- Estimated site completion – September 2020
- Planning amendments being negotiated on sale units
- Quantity Surveyor/Employers Agent appointed
- Tender documents being drawn up
- Social Housing increased from 5 homes to 7. (2 additional homes to purchased at MV)
- Establishing land transfer process with Carmarthenshire County Council
- Development appraisal demonstrates a viable scheme based upon estimates provided by consultants which take account of the land being acquired at market value which is being negotiated between the company's agent and the Authority's property valuers.

Glanmor, Burry Port

- 20 two bedroom houses arranged in pairs
- 10 one bedroom apartments over two floors in pairs
- Ty Solar product, timber frame and clad.
- Estimated site completion – April 2021
- Complete site to be sold to the HRA

- Development appraisal demonstrates a viable scheme based upon estimates provided by consultants which take account of the land being acquired at market value which is being negotiated between the company's agent and the Authority's property valuers.
 - £4m Innovative Housing Grant awarded to the Company
 - Finalised scheme design
 - Pre planning consultations commenced
 - Planning application to be submitted pre-Christmas
 - Legal advice received regarding contractual relationships with contractors and a development agreement with Carmarthenshire County Council
- Cash-flow requirement
The cash-flow requirement for the company to develop the above schemes peaks at £3m prior to scheme completion. This sum is specific to the development of the two schemes so is in addition to the on-going funding of operating costs and future scheme development costs, as well as the need to provide headroom to commence future schemes that are identified as being viable. It is considered sensible therefore to have the one future funding arrangement with the Cartrefi Croeso Cyfyngedig as follows:
 - Maximum funding facility of £6m
 - Duration of arrangement – 5 years
 - Interest at 1.6x% above the rate set by the PWLB reflecting the part security that will be available to the Council from the land/works prior to sale
 - Funding facility will be operated as an overdraft arrangement – funds only drawn when required and balance reduced as receipts received.
 - 3 year business plan for the company to be submitted to the shareholder by 31st March annually so that the progress and viability of the funding arrangements can be monitored.

Approval of the release of funding (up to the limit) is to be delegated to The Chief Executive and Director of Corporate Services, in consultation with the Executive Board Member for Resources, with the facility to be administered as follows:

- Maesgriffith, Llansteffan and Glanmor Burry Port scheme construction: release of construction funding once the tenders have been returned, the scheme is confirmed and assessed as still being viable, and the contractual arrangements are in place.
- Development Agreement to be in place for the sale of the social housing to the Authority
- Operating Costs: loan arrangements for circa £280k per annum until the company is viable without that element of support
- Project Development costs. The original allocated ceiling of £750k will suffice, and for monitoring and control of project development costs, itemised quarterly reports will be presented to the Chief Executive and Director of Corporate Services.
- Future scheme construction. Approval of funding in principle (not exceeding facility ceiling in total) upon completion of site specific development appraisals and release of construction funding once the tenders have been returned and the scheme is confirmed and assessed as still being viable and the contractual arrangements are in place.

- The conclusion of the detailed loan agreement to be delegated to the Chief Executive and Director of Corporate Services

Cartrefi Croeso Cyfyngedig Income and Expenditure forecast

	2018-2019	2019-2020	2020-2021	2021-2022
	£'0000	£'000	£'000	£'000
Profit/(Loss) before Tax	(200)	28	478	(294)

Note – the forecasts above only reflect the administration costs and the activity on the two schemes listed within the report being developed. To maintain the momentum and financial viability of the company further scheme appraisals will be developed over coming months.

DETAILED REPORT ATTACHED ?

NO

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Chris Moore Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	YES	YES	YES	YES

1. Policy, Crime & Disorder and Equalities

The housing company assists in deliver the Council's strategic objectives regarding economic growth and delivering additional affordable housing. It also contributes to ensuring the Council's commitment to enabling sustainable communities and prosperous & healthy future generations are met.

2. Legal

The legal background to establishing the Company and the Council's powers to do so are set out in the report to the Executive Board of the 27th November 2017.

3. Finance

Loan facility to be provided once agreement has been completed. Maximum facility is £6m and interest will be charged at 1.60% above PWLB rate. Period of loan 5 years.

4. ICT

The Company utilises the Council's IT section, with a charge being made to the Company for the supply of these services.

5. Risk Management Issues

The Council manages the risks faced by the Company through the appointment of suitably qualified and experienced directors. The Company manages its own risk register and is explicit in terms of how these risks are managed and mitigated.

6. Physical Assets

The company will be in a position to purchase assets from the Council (subject to the loan funding being agreed by the Council). The process for this will follow general disposal procedures and guidance.

7. Staffing Implications

The Company utilises council staff with a charge being made to the Company for the supply of these services.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below
 Signed: **Chris Moore** **Director of Corporate Services**

1. Scrutiny Committee

N/A

2. Local Member(s)

N/A

3. Community / Town Council

None

4. Relevant Partners

None

5. Staff Side Representatives and other Organisations

None

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Reports to the Executive Board	27th November 2017 4th June 2018	www.carmarthenshire.gov.uk

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