

EXECUTIVE BOARD

Monday, 24 February 2020

PRESENT: Councillor E. Dole (Chair)

Councillors:

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, R. James, K. Lloyd and K. Madge

The following Officers were in attendance:

W. Walters, Chief Executive
J. Morgan, Director of Community Services
C. Moore, Director of Corporate Services
Mrs R. Mullen, Director of Environment
L.R. Jones, Head of Administration and Law
P.R. Thomas, Assistant Chief Executive (People Management & Performance)
J. Morgan, Head of Homes & Safer Communities
A Bowen, Investment and Income Manager
S. Davies, Head of Access to Education
D. Hockenfull, Marketing and Media Manager
L Morris, Senior Press Officer
L. Jenkins, Democratic Services Officer
E. Bryer, Democratic Services Officer

Chamber, County Hall, Carmarthen, SA31 1JP - 10.00 - 11.15 am

Prior to commencement of the meeting, the Executive Board extended its sympathy to all those who had been impacted by the recent storms.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors C.A. Campbell and J. Tremlett.

2. DECLARATIONS OF PERSONAL INTEREST

Councillor / Officer	Minute Number	Nature of Interest
Cllr. E. Dole	12 – Model Teachers' Pay Policy 2019/20	Daughter-in-law is a teacher
Cllr. L. Evans	12 – Model Teachers' Pay Policy 2019/20	Daughter is a teacher
Cllr. P. Hughes-Griffiths	12 – Model Teachers' Pay Policy 2019/20	Daughter is a teacher
W. Walters (Chief Executive)	12 – Model Teachers' Pay Policy 2019/20	Brother is a supply teacher

3. MINUTES OF THE MEETING OF THE EXECUTIVE BOARD HELD ON THE 3RD FEBRUARY 2020

UNANIMOUSLY RESOLVED that the minutes of the meeting of the Executive Board held on the 3rd February, 2020 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. REVENUE BUDGET STRATEGY 2020/21 TO 2022/23

The Executive Board considered a report which brought together the latest proposals for the Revenue Budget 2019/2020, provided indicative figures for the 2021/2022 and 2022/2023 financial years and summarised 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.

The Executive Board Member for Resources outlined to the Board a number of factors influencing the budget, including the fact that the final settlement from the Welsh Government would not be received until the 25th February 2020. The updated information in respect of grants and assumptions had provided additional funding compared to the provisional budget that was agreed on the 6th January 2020.

The Executive Board Member for Resources advised that full details of the provisional settlement was included within the report; the Local Government funding on an all Wales basis had increased by 4.3% with Carmarthenshire receiving 4.4%. This reflected the recognition of the unprecedented level of financial pressures facing Local Authorities. Despite the increased funding, savings were still required.

With the final settlement from Welsh government due on the 25th February 2020, the report sought authority for the Director of Corporate Services in liaison with the Leader, Chief Executive and the Executive Board Member for Resources to make any necessary adjustments to the Budget Strategy prior to County Council on the 3rd March 2020.

The Executive Board was advised that as and when information had been made available the report had been adjusted accordingly. Excluding teachers pensions cost the total validation added approximately £11.8m onto the budget. The report highlighted the high level of uncertainty around pay, however the budget had allowed for 2.75% increase each year. This pay offer did not apply to teachers who were covered by a separate National pay arrangement. The September 2019 award was set at 2.75% and this level was assumed for future years, however this was recognised as a key budget risk.

The Executive Board Member for Resources advised the Executive Board that a further £311K had been added to the schools budget, taking the overall increase in schools delegated budgets to £10.1m demonstrating significant support to schools and providing the same spending power as the current year.

Reference was made to the compressed budget timetable and that despite this the consultation process had been a success with over 2,000 responses received. The consultation had allowed for debate on the budget and provided significant feedback. Taking into account the outcome of the consultation and the budget adjustment the following proposals had been removed:

- The closure of Whitland Household Waste Recycling Centre.
- Closure of public toilets.
- Reduction of the Youth Support Services budget.
- Increase to cemetery charges.

Additionally, the proposed increased charges in respect of leisure services would now be met through increased usage, negating the need for increased charges.

The Executive Board Member for Resources advised that the proposed efficiency on the ALN budget be deferred to year 3 along with the proposed administration fee for self-funded residential placements. He also proposed that due to service pressures the following should be applied:

- £128K additional Social Care workforce grant be applied to Social Services.
- £140K provided towards highways budgets to improve roads and capacity.
- £140k delegated to the Director of Education to prioritise according to departmental requirements.

It was proposed to the Executive Board that a Council Tax increase of 4.89% be implemented to enable delivery of the Strategy.

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL:-

- 6.1 That the Budget Strategy for 2020/21, be approved.**
- 6.2 That the Band D council Tax for 2019/20 be set at £1,255.17 (an increase of 4.89% for 2019-2020).**
- 6.3 That the £560k recurrent funding available balance be allocated, as detailed above.**
- 6.4 That the provisional Medium Term Financial Plan be approved as a basis for future years financial planning.**
- 6.5 That the Director or Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources be delegated the authority to make any amendment necessary as a consequence of the Welsh Government final settlement due on the 25th February 2020.**

7. FIVE YEAR CAPITAL PROGRAMME 2020/21 TO 2024/25

The Executive Board considered a report which brought together the latest proposals for the Five-Year Capital Programme (Council Fund) 2020/221 to 2024/2025, taking into account the consultation exercise undertaken and the revenue implications arising from the capital programme.

The Board noted that the capital programme proposed gross expenditure for 2020/21 of £106.393m, with projected funding of £57.563m from the County Council through the use of borrowing, capital receipts, reserves and general capital grant and the balance of £48.830m coming from external sources.

The Board was advised that the capital programme was projected to be fully funded over the five year period from 2020/21 through to 2024/2025.

The Executive Board noted that the programme included projected expenditure on the Swansea Bay City Region Deal projects against which the authority would borrow, with the funding being returned from both Welsh and UK Governments over a 15 year period (from 2018/19).

The Executive Board Member for Resources informed the Board that the proposed capital programme anticipated an estimated spend of nearly £255m over the five years and that the programme optimised the funding opportunities and maximised the funding available from external sources.

The Executive Board was advised that Welsh Government had not provided any forward indicators in respect of general capital funding beyond 2020/21 and that due to this the programme was based on future years supported borrowing and general grant being of the same levels as 2020/21.

The Executive Board Member for Resources confirmed that investment had been made in 21st Century Schools Programme, Highways, Regeneration and Housing. Within Community Services, the capital programme made investment in leisure and cultural services including £1.9m into Oriol Myrddin, £650k into Carmarthen Leisure Centre and the continued support for private sector housing in 2024/25 for Disabled Facilities Grants.

The Executive Board was advised that there would be continued support for highways improvements, bridge maintenance and road safety schemes into 2024/25. Funding on highway maintenance would be bolstered in 2020/21 through the Road Refurbishment Grant provided by Welsh Government.

The Executive Board Member for Resources advised that it had been possible to make additional commitments across the Council's estates with £2.5m provision for essential work to County Hall, £500k for works at Ty Elwyn and £3.9m towards the continued maintenance across the estate in 2020/24. New monies would be provided for Zero Carbon initiatives across the estate.

Additionally, £2.7m of additional funding from Welsh Government would be utilised for the maintenance of school buildings. £4m was included for the redevelopment of Llandeilo Market Hall and £850k for the continued investment in Glanamman Industrial Estate. £500k had also been allocated towards the actions required following the Climate Emergency that was declared in 2019/20.

The Executive Board Member for Resources asked the Executive Board to note the comprehensive details set out in Appendix B of the report, together with the reserve list of priorities.

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL THAT

- 7.1 The Five-Year Capital Programme and its funding, as detailed in Appendix B to the report, with 2021/22 being a hard budget and 2021/22 to 2024/25 soft/indicative budgets be approved**
- 7.2 The programme be reviewed if anticipated external or County Council funding did not materialise**
- 7.3 The Capital Strategy, as detailed in Appendix C, be approved**
- 7.4 The Director of Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources be delegated the authority to make any amendments necessary as a consequence of the Welsh Government final settlement due on the 25th February 2020.**

8. HOUSING REVENUE ACCOUNT BUDGET 2020/21 TO 2022/23 AND HOUSING RENT SETTING FOR 2020/21

The Executive Board considered a report prepared by the Director of Corporate Services, in conjunction with officers from the Communities Department that brought together the latest proposals for the Revenue and Capital Budgets for the Housing Revenue Account 2020/21 to 2022/23. It was noted that the report had been considered, and endorsed, by the Community Scrutiny Committee at its meeting held on the 5th February 2020 as part of the budget consultation process.

The report had been prepared reflecting the latest proposals contained in the Housing Revenue Account (HRA) Business Plan, being the primary financial planning tool for delivering the Carmarthenshire Homes Standard *Plus* (CHS+) for the future. It was noted that the proposed investment within the current business plan had delivered the CHS by 2015 (to those homes where tenants had agreed to have the work undertaken) provided investment to maintain the CHS+ and continued investment for the Council's Affordable Housing Commitment.

The Executive Board Member for Resources advised that capital investment in the region of £230m had delivered the Carmarthenshire Home Standard for tenants and a further £49m had been spent in maintaining the CHS+ home standard for properties and tenants. Over the next 3 years it was expected that a further £49m would be spent on maintaining and upgrading the housing stock.

The Executive Board was reminded that since 2015 the Authority had been required to adopt the Welsh Government Policy for Social Housing Rent Harmonisation, meaning that the proposed rent increase was prescribed by Welsh Government guidance and provided an equitable distribution of the rents for the social sector tenants. The policy ended in 2018/19 and an interim policy for 2019/20 was put in place by Welsh Government and have now developed a new policy for implementation in 2020/21. This policy allowed Local Authorities within their target rent band to increase rent by CPI +1% only. It also allowed for the level of rent for individual tenants to raise by up to an additional £2 over and above CPI

+1% for rent harmonisation, on condition that total rental income collected by the social landlord increased by no more than CPI +1%.

The new policy would apply for 5 years from 2020/21 and contained additional criteria around tenant satisfaction, space standards, minimisation of evictions and energy efficiencies. It also identified the need to decarbonise social housing stock, which would be a major investment for Authorities.

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL TO:-

- 8.1 Increase the average housing rent as per the Welsh Government's Social Housing Rents Policy :-**
 - a) Properties at target rents to increase by 2.53%**
 - b) Those rents below target rent are increased by 2.53% and are progressed by a maximum of £1 per week**
 - c) Those rents above target be frozen until such time as they meet the target rent**
 - d) Thereby producing an increase on average housing rent of 2.7% or £2.36.**
- 8.2 To implement maximum progression of £1.00, for rents below target, until target rents are achieved.**
- 8.3 To maintain garage rents at £9.00 per week and garage bases at £2.25 per week.**
- 8.4 Apply the service charge policy to ensure tenants who received the benefit from specific services paid for those services.**
- 8.5 Increase charges for using the Council's sewerage treatment works in line with the rent increases.**
- 8.6 Approve the Housing Revenue Account Budget for 2020/21 (with 2021/22 and 2022/23 being soft budgets) as set out in Appendix B.**
- 8.7 Approve the proposed Capital Programme, and applicable funding, for 2020/21 and the indicative spends for the future years 2021/22 to 2022/23 as set out in Appendix A.**

9. THE CARMARTHENSHIRE HOMES STANDARD PLUS (CHS+) BUSINESS PLAN 2020-23

The Executive Board considered the Carmarthenshire Homes Standard Plus (CHS+) Business Plan 2020-2023 plan the purpose of which was 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
- Set out the intention to develop a new Carmarthenshire standard by continuing to move towards carbon neutral homes, both existing and new, ensuring new supply chain, jobs and training opportunities are delivered
- Confirm the financial profile, based on current assumptions, for the delivery of the CHS+ over the next three years
- Produce a business plan for the annual application to Welsh Government for Major Repairs Allowance (MRA) for 2020/21, equating to £6.1m.

The Executive Board Member for Housing highlighted that the report detailed the intention to work with partners in developing a new Carmarthenshire standard by

continuing to move towards carbon neutral homes, both existing and new. With the assistance of Cardiff University, the Authority had been working on the retrofitting of a range of low carbon technologies including renewable energy supplies, energy storage and energy demand reduction technologies. Monitoring equipment had been installed and the results would be analysed in terms of cost, benefits to tenants and ease of use.

The Executive Board was advised that nearly £49m had been set aside to maintain the CHS+ for existing tenants over the next 3 years to enable tenants to benefit from homes that are carbon friendly and cheaper to run.

The Executive Board Member for Housing confirmed that the Authority was on the verge of achieving its promise of delivering 1,000 more affordable homes by 2021. This had been achieved by buying houses on the market, bringing empty houses back in to use and by building new homes. Over 60 households have been housed through the Accessible Housing Register ensuring that the homes met their specific housing needs.

The Executive Board Member for Housing stated that while much had been achieved, it was recognised that there was still more to be done but the Authority was ready to face the challenges. It was detailed in the published plan the intention of the Authority to develop a new build programme for Cartrefi Croeso to enable the maximisation of housing especially in rural areas. The work to build new Council homes at Dylan had already started and with nearly £52m available to spend over the next three years on building more Council homes this would align with the wider housing investment programme. This would enable the Authority to focus on the proposed development in the Tyisha ward, the Wellness Village, Town Centres and rural towns.

The Executive Board was advised that the Authority was aware that the introduction of Universal Credit had presented a challenge for tenants in managing their monthly budgets, but the action plan implemented by the Authority had reduced the impact as much as possible for them.

The Executive Board Member for Housing advised that these were exciting times and also a time of uncertainty for tenants, however the Authority had been able to keep the rent increase for 2020/21 at an average of 2.7% and that this achievement should not be underestimated. Over the next year the Authority would need to ensure clarity from Welsh Government on future financial priorities in terms of maintaining existing standards, introduction of new standards to support the decarbonisation agenda and building affordable homes for those in need.

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL THAT:-

- 9.1 The vision of the CHS+ and the financial and delivery programme over the next three years be confirmed.**
- 9.2 The submission of the 2020/23 Business Plan to Welsh Government be confirmed.**
- 9.3 The intention to develop a new Carmarthenshire standard by continuing to move towards carbon neutral homes, both existing and new, ensuring new supply chain, jobs and training opportunities are delivered be noted.**

10. TREASURY MANAGEMENT POLICY AND STRATEGY 2020-21

The Executive Board was reminded that as part of the requirements of the revised CIPFA Code of Practice on Treasury Management, the Council had agreed to maintain a Treasury Management Policy detailing the policies and objectives of the Authority's treasury management activities and to also approve a Treasury Management Strategy annually before the start of the financial year to which it related. In addition, under the Local Government Act 2003, the Council was required to approve the Treasury Management Indicators for the coming year.

In accordance with the above requirements, the Executive Board considered the Council's Treasury Management Policy and Strategy for the 2020-21 financial year prior to its formal submission to the Council for final adoption.

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL that:-

- 10.1 The Treasury Management Policy and Strategy for 2020-21 and the recommendations contained therein be approved.**
- 10.2 The Treasury Management Indicators, Prudential Indicators, Minimum Revenue Provision Statement and recommendations therein be approved.**

11. BUSINESS RATES - HIGH STREET AND RETAIL RATES RELIEF SCHEME 2020/21

The Executive Board considered the Business Rates - High Street and Retail Rates Relief Scheme 2020/21, the purpose of which was to consider the adoption of a rate relief scheme being made available to billing authorities by Welsh Government for 2020/21.

The Executive Board Member for Resources reminded the Executive Board that the National non-domestic rates revaluation came into effect from 1st April 2017, the effect of which resulted in some areas benefiting from reductions in rateable values, such as Llanelli Town Centre and other ratepayers seeing significant increases. A Transitional Relief Scheme was announced by Welsh Government to mitigate the impact and limit any increase for ratepayers in small premises by staggering increases over 3 financial years. The Transitional Relief Scheme ended this year.

The Executive Board Member for Resources advised that in 2017 Welsh Government had introduced a further rate relief scheme aimed at helping the retail and hospitality sector. Carmarthenshire County Council adopted this scheme for 2017/18, 2018/19 and 2019/20. This scheme was not limited to town centres although premises in out of town retail parks and industrial estates were excluded as well as businesses in the service sector. This scheme was specifically aimed at high street businesses and retailers such as shops, pubs, restaurants and cafes.

Welsh Government had decided to extend the scheme into 2020-21, the aim of which was to provide support for eligible retail businesses by offering up to £2,500

discount on the non-domestic rates bill per property to retailers occupying premises with a rateable value of between £6,001 and £50,000 in the financial year 2020-21.

UNANIMOUSLY RESOLVED that the 2020/21 High Street and Retail Rates Relief scheme outlined in this report be adopted.

12. MODEL TEACHERS' PAY POLICY 2019/20

[NOTE: Councillors E. Dole, L.D Evans and P. Hughes-Griffiths and W. Walters (Chief Executive) had earlier declared an interest in this item].

The Executive Board considered the Model Teachers' Pay Policy which had been updated to reflect September 2019 pay award as detailed in the School Teachers' Pay and Conditions (Wales) Document 2019. Teaching associations, both regionally and locally, had been fully consulted on the Policy.

The Deputy Leader advised the Executive Board that all schools had to set out a pay policy which also set out the grievance procedures regarding pay. The statement had been revised by the HR Group of the ERW consortium and reflected the 2019 pay award.

The Deputy Leader urged all governing bodies to familiarise themselves with the content of the policy and that the HR department would provide advice and guidance on the adoption of this policy if required.

The Executive Board Member for Education and Children stated that he would be asking the Head of Education Department to send a letter to all governing bodies highlighting their responsibilities regarding this policy.

UNANIMOUSLY RESOLVED that the Model Teachers' Pay Policy 2019/20 be endorsed and circulated to Schools for formal adoption by their Governing Bodies.

13. MODEL UNATTACHED TEACHERS' PAY POLICY 2019/20

The Executive Board considered the Model Unattached Teachers Pay Policy which had been updated to reflect the September 2019 pay award as detailed in the School Teachers Pay and Conditions (Wales) Document 2019.

UNANIMOUSLY RESOLVED that the Model Unattached Teachers' Pay Policy 2019/20 be endorsed and circulated to Schools for formal adoption by their Governing Bodies.

14. 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.

CHAIR

DATE