

**TUESDAY, 18 FEBRUARY 2020**

**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, 24TH FEBRUARY, 2020** FOR THE TRANSACTION OF THE BUSINESS OUTLINED ON THE ATTACHED AGENDA

*Wendy Walters*

**CHIEF EXECUTIVE**



PLEASE RECYCLE

<b>Democratic Officer:</b>	<b>Emma Bryer</b>
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Wendy Walters Prif Weithredwr, *Chief Executive*,  
Neuadd y Sir, Caerfyrddin. SA31 1JP  
*County Hall, Carmarthen. SA31 1JP*

# EXECUTIVE BOARD

## MEMBERSHIP - 10 MEMBERS

<b>Councillor</b>	<b>Portfolio</b>
<b>Councillor Emlyn Dole</b>	<b>Leader</b> 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
<b>Councillor Mair Stephens</b>	<b>Deputy Leader</b> Council Business Manager; Human Resources; Performance Management; Wales Audit; Training; I.C.T.; T.I.C. (Transformation, Innovation and Change); Strategic Planning
<b>Councillor Cefin Campbell</b>	<b>Communities and Rural Affairs</b> Rural Affairs and Community Engagement; Community Safety; Police; Counter-Terrorism and Security Act 2015; Tackling Poverty; Wellbeing of Future Generations; Third Sector Liaison ;Equalities, Climate Change Strategy.
<b>Councillor Glynog Davies</b>	<b>Education and Children</b> 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
<b>Councillor Hazel Evans</b>	<b>Environment</b> Refuse; Street Cleansing; Highways and Transport Services; Grounds Maintenance; Building Services; Caretaking; Building Cleaning; Emergency Planning; Flooding
<b>Councillor Linda Evans</b>	<b>Housing</b> Housing – Public; Housing – Private, Ageing Well
<b>Councillor Peter Hughes Griffiths</b>	<b>Culture, Sport and Tourism</b> Town and Community Councils Ambassador; Development of the Welsh Language; Theatres; Sports; Leisure Centres; Museums; Libraries; Country Parks; Tourism, Public Rights of Way.
<b>Councillor Philip Hughes</b>	<b>Public Protection</b> Trading Standards; Environmental Health. Environmental Enforcement; Planning enforcement; Unlicensed Waste; Parking Services; Bio diversity
<b>Councillor David Jenkins</b>	<b>Resources</b> 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
<b>Councillor Jane Tremlett</b>	<b>Social Care &amp; Health</b> 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

# **A G E N D A**

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 3RD FEBRUARY 2020** 5 - 10
4. **QUESTIONS ON NOTICE BY MEMBERS**
5. **PUBLIC QUESTIONS ON NOTICE**
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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.**

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## EXECUTIVE BOARD

Monday, 3 February 2020

**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 J. Tremlett

**Also in attendance:**

Councillor D.M. Cundy, D. Jones and K. Lloyd

**The following Officers were in attendance:**

W. Walters, Chief Executive  
J. Morgan, Director of Community Services  
Mrs R. Mullen, Director of Environment  
L.R. Jones, Head of Administration and Law  
N. Daniel, Head of I.C.T.  
S. Davies, Head of Access to Education  
J. Davies, Senior Cultural Services Manager  
K. Davies, Sustainable Development Manager  
H. Pugh, Head of Revenues and Financial Compliance  
D. Hockenull, Marketing and Media Manager  
K. Thomas, Democratic Services Officer

**Chamber, County Hall, Carmarthen, SA31 1JP - 10.00 - 10.50 am**

**1. APOLOGIES FOR ABSENCE.**

An apology for absence was received from Councillor L.M. Stephens

**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 20TH JANUARY 2020**

**UNANIMOUSLY RESOLVED** that the minutes of the meeting of the Executive Board held on the 20<sup>th</sup> January, 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. CWM ENVIRONMENTAL LTD LOAN FUNDING REQUIREMENT

The Executive Board considered a report on a request received from CWM Environmental Ltd (a wholly owned subsidiary company of the authority) for an £800k loan from the authority to fund the cost of:

1. Relocating its existing offices from Alltynap Road, Johnstown to its Nantycaws site;
2. surrendering the lease of the Alltynap Offices - due to expire in May, 2020;
3. Acquiring the freehold of an additional 58 acres of land immediately adjoining the Nantycaws Site, to secure the land for the company's future development.

The Board was advised of the terms of the proposed loan, as detailed in the report, which had been supported by both the company's Board of Directors and the Shareholders Board.

**UNANIMOUSLY RESOLVED THAT IT BE RECOMMENDED TO COUNCIL THAT it agrees to the granting of a loan to CWM Environmental Ltd subject to the following terms:**

1. **The total loan to be in the sum of £800k;**
2. **The duration of the loan arrangement is to be 10 years in relation to the land acquisition cost and 5 years for the buildings related cost;**
3. **Interest on the loan to be charged at 1% above the rate set by the Public Works Loan Board for 10 and 5 years respectively reflecting the security that would be available to the Council;**
4. **The funding facility to be operated on a draw-down arrangement – funds only drawn when required;**
5. **Approval of the release of the funding to be delegated to the Director of Corporate Services in conjunction with the Executive Board Member for Resources, with the facility to be administered as follows:-**
  - a) **Release of funding only when:**
    - i) **Approved by the Company Board and endorsed by the CWM Environmental Ltd Shareholder Group;**
    - ii) **The Director of Corporate Services was satisfied the loan repayments were provided for within the Company's Business Plan and were affordable**
  - b) **The conclusion of the detailed loan agreement to be delegated to the Director of Corporate Services**

## 7. REDEVELOPMENT OF ORIEL MYRDDIN GALLERY

The Executive Board considered a report on proposals for the redevelopment of the Oriel Myrddin Gallery in Carmarthen to be jointly funded with the aid of £1m conditional grant offer made by the Arts Council for Wales together with a capital input from the County Council, with the actual cost being dependent upon the chosen redevelopment option. The following four options were presented for the Board's consideration:-

1. Progress with the existing RIBA stage 3 design, the preferred option – Council capital funding contribution of £890k;
2. Co-locate with the Carmarthen Hwb in the existing building – Council Capital funding contribution of £890k;
3. Co-locate with the Carmarthen Hwb on King Street through the purchase/Lease of adjacent buildings to provide the required space – Council capital funding contribution of £1.640m;
4. Maintain the Status Quo – Council funding of £100k undertaking essential maintenance works.

The Executive Board was advised that if it was minded to approve redevelopment proposals for the Gallery, that approval would be subject to the Council allocating funding to the scheme at its budget meeting to be held on the 3<sup>rd</sup> March 2020

**UNANIMOUSLY RESOLVED that the Council proceed with the redevelopment of the Oriel Myrddin Gallery on the basis of Option 1, subject to the Council allocating funding to the scheme at its budget meeting to be held on the 3<sup>rd</sup> March 2020.**

## 8. NET ZERO CARBON PLAN

The Executive Board was reminded that Council at its meeting held on the 20<sup>th</sup> February, 2019, had adopted the following Notice of Motion to:

1. Declare a climate emergency,
2. commit to becoming a net zero carbon local authority by 2030,
3. develop a clear plan for a route towards being net zero carbon within twelve months,
4. call on Welsh and U.K. Governments to provide the necessary support and resources to enable effective carbon reductions,
5. work with the Public Services Board and Swansea Bay City Deal Partners to develop exciting opportunities to deliver carbon savings,
6. collaborate with experts from the private sector and 3<sup>rd</sup> sectors to develop innovative solutions to becoming net zero carbon.

In accordance with the Council's resolution, the Executive Board considered a report setting out a route towards becoming a net zero carbon local authority by 2030.

The Executive Board noted that the Environmental and Public Protection Scrutiny Committee at its meeting held on the 15<sup>th</sup> November, 2019 had recommended the Executive Board endorse the plan.

**UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL THAT:-**

- 8.1 **The Net Zero Carbon Plan outlining a route towards becoming a net zero carbon local authority by 2030 be adopted,**
- 8.2 **Delegated authority be granted to Officers to make typographical or factual amendments as necessary to improve the clarity and accuracy of the Net Zero Carbon Plan.**

## 9. MODERNISING EDUCATION PROGRAMME (MEP) APPROVAL TO

## **IMPLEMENT FEDERATION PROPOSALS (LOCAL AUTHORITY LED)**

The Executive Board considered a report detailing proposals on the introduction of a process for the determination of school Federation proposals. (Local Authority led proposals) and, in particular, delegating that determination to the Executive Board Member for Education and Children.

The Board was advised that the Education and Children Scrutiny Committee, at its meeting held on the 23<sup>rd</sup> January, 2020, had recommended the determination of the outcome of federation proposals should be undertaken by the Executive Board and not by the Executive Board Member for Education and Children.

**UNANIMOUSLY RESOLVED that the approval for the implementation of School Federation Proposals (Local Authority Led) be delegated to the Executive Board Member for Education and Children.**

### **10. (DRAFT) CARMARTHENSHIRE COUNTY COUNCIL STRATEGIC EQUALITY PLAN 2020-2024**

The Executive Board considered the Council's Draft Strategic Equality Plan 2020-24, produced in accordance with the requirements of the Equality Act 2010 that included a new Public Sector Duty, replacing the separate duties on race, disabilities and gender equality. It was noted that the General Duty of the Act covered the undermentioned protected characteristics, with its aim being to ensure public authorities and those carrying out a public function considered how they could positively contribute to a fairer society through advancing equality and good relations in their day-to-day activities:-

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual Orientation

The General Duty was compatible with the requirements of the Well-being of Future Generations Act, with equality and cohesion featuring strongly as two of the seven well-being goals.

The Board noted the Plan had been endorsed by the Policy and Resources Scrutiny Committee at its meeting held on the 27<sup>th</sup> January.

**UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL THAT IT:**

- 10.1 Approved the (Draft) Strategic Equality Plan for implementation from April 2020;**
- 10.2 Agreed to the (Draft) Strategic Quality Objectives and the development of a detailed action plan to underpin those Objectives;**

**10.3 Agreed to further engagement with external partners and stakeholders at two events hosted by the Equality Carmarthenshire forum, which brings together organisations and individuals representing the protected groups**

**11. SCHOOL TRANSPORT REVIEW ADVISORY PANEL**

The Executive Board, was reminded that at its meeting held on the 20<sup>th</sup> January, 2020 it had agreed to establish School Transport Advisory Panel comprising the Executive Board Member for Environment together with 6 members on a cross party basis. In accordance with that decision, the Board considered a report on the Panel's proposed Terms of Reference together with the following proposed membership, as nominated by the Council's political groups:-

Plaid Cymru Group (3)

Councillors Mansel Charles, Ann Davies, Ken Howell.

Labour Group (1)

Councillor Dot Jones

Independent Group (1)

Councillor Irfon Jones

New Independent Group (1)

Councillor Louvain Roberts

Cllr D Cundy, in accordance with Corporate Procedure Rule 11 referred to the cross party membership of the School Transport Advisory Panel and asked whether it should not comprise 2 members from each political group and its meetings webcast in the spirit of honesty, openness and transparency.

The Executive Board Member for Environment reminded the Board of the change in government legislation which had resulted in the current situation. She confirmed the proposed membership of the Advisory Panel was cross party, with representatives from each of the council's political parties. Whilst meetings of the Advisory Panel were not public meetings, and there were no plans for them to be webcast, its recommendations would be presented to the Executive Board, meetings of which were webcast

**UNANIMOUSLY RESOLVED that the Terms of Reference and membership of the cross party School Transport Advisory Panel be approved.**

**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.**

There were no items of urgent business.

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
DATE

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## Executive Board 24<sup>th</sup> February 2020

### Revenue Budget Strategy 2020/21 to 2022/23

#### Recommendations / key decisions required:

That the Board considers and recommends to County Council:

- a. The Budget Strategy for 2020/21;
- b. The Band D council Tax for 2020/21;
- c. The allocation of the £560k recurrent funding available balance taking into account the range of responses received during the consultation process and any further pressures identified;
- d. The Medium Term Financial Plan which will form the basis for future years financial planning, and
- e. Delegate to the Director of Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources, to make any amendments necessary as a consequence of the WG final settlement due on 25<sup>th</sup> February.

#### Reasons:

To enable the Authority to set its Revenue Budget for the Council Fund and resultant Council Tax for 2020/21.

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

E Mail Address:

CMoore@carmarthenshire.  
gov.uk

**EXECUTIVE SUMMARY**  
**Executive Board**  
**24<sup>th</sup> February 2020**

**Revenue Budget Strategy 2020/21 to 2022/23**

This report brings together the latest proposals for the Revenue Budget 2020/21 with indicative figures for the 2021/22 and 2022/23 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 – Budget pressures
- Appendix D – Equality Impact Assessments

**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
<b>YES</b>	<b>NONE</b>	<b>YES</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

## 1. Policy and Crime & Disorder

The budget has been prepared having regard for the Council's Corporate Strategy 2018-2023 Refreshed June 2019, 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 £371.593m
- Proposed Council Tax increase of 4.89% for 2020/21 - Band D tax of £1,316.55

## 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
2020/21 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**

**24<sup>th</sup> February 2020**

**REVENUE BUDGET STRATEGY 2020/21 to 2022/23**

<b>DESIGNATION:</b>	<b>DIRECTORATE</b>	<b>TELEPHONE NO.</b>
<b>C Moore, Director of Corporate Services</b>	<b>Resources</b>	<b>01267 224120</b>
<b>AUTHOR &amp; DESIGNATION</b>	<b>DIRECTORATE</b>	<b>TELEPHONE NO</b>
<b>R Hemingway, Head of Financial Services</b>	<b>Resources</b>	<b>01267 224886</b>

**1. INTRODUCTION**

**1.1.** Executive Board in January 2020 considered and endorsed the Revenue Budget Strategy 2020/21 to 2022/23 for consultation. The report indicated, after taking account of the provisional settlement, a council tax increase of 4.89% in 2020/21. The Executive Board in endorsing the report for consultation resolved

‘that the contents of the budget report be noted and the 2020/21 to 2022/23 budget strategy be approved as a basis for consultation, specifically seeking 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:

- Budget Consultation Results
- The Medium Term Spending Plans
- Implication on Council tax for 2020/2021.

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 provisional settlement was more favourable than expected, it remains the case that it falls far short of the financial pressures facing Local Government. This equates to a real term reduction which continues to make the budget process extremely difficult. Yet again, decisions have had to be made in respect of prioritisation of services and the inclusion of further 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 6<sup>th</sup> January 2020, with the groups and committees being invited to comment in the following manner:-

- Public Consultation
- Town and Community Councils
- School Budget Forum
- Schools Insight Day
- 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 2020/21

### 3.1. Current Year Performance (2019/20)

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 2019/20 (based on the December 2019 monitoring) is as follows:

<b>Service</b>	<b>Approved Budget £'000</b>	<b>Total Expenditure Forecast £'000</b>	<b>Variance Forecast For Year £'000</b>
Chief Executive	15,480	15,183	-297
Communities	97,736	98,415	679
Corporate Services	25,896	25,263	-633
Education and Children	166,860	170,797	3,937
Environment	55,861	56,230	369
<b>Departmental Expenditure</b>	<b>361,834</b>	<b>365,889</b>	<b>4,055</b>
Capital Charges	-20,497	-21,897	-1,400
Levies and Contributions	9,976	9,976	0
Transfer to/ from Reserves	0	96	96
<b>Net Expenditure</b>	<b>351,313</b>	<b>354,064</b>	<b>2,750</b>

The main reasons for the departmental overspends are as follows:

- Communities Department: continued pressure on adult services impacting on residential care, domiciliary care and direct payments budgets
- Education and Children’s Services: Significant overspends forecast on individual school budgets, as well as further pressure on SEN/ALN provision, EOTAS and school based EVR and redundancy costs, and a shortfall in the Music Service SLA income from schools.
- Environment Department: the overspends are primarily due to increases in ALN pupils transport costs and a shortfall in planning application income.

The Authority is currently forecasting a variance of £2.750m at the year-end that will have to be met from 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 Schools 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 through 2019, reaching 1.5% in December 2019. The Office of Budget Responsibility is forecasting a return to 2.0% during the next financial year, though many commentators have highlighted the increased risk of inflation due as a result of Brexit. Given the scale of current uncertainty, the inflation factors for 2020/21 have been retained at the same level as reported in the draft budget.

	<u>2020/21</u> <u>Original</u>	<b>2020/21</b> <b>Proposed</b>	<u>2021/22</u>	<u>2022/23</u>
General inflation	2.0%	2.0%	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%	2.75%	2.75%	2.75%
Pay Inflation - Teaching	2.0%	2.75%	2.75%	2.75%
Levies	2.9%	5.7%	2.5%	2.5%
Pension Contributions	£209k	nil	nil	nil
Capital Charges	£250k	£250k	£500k	£500k

3.2.3. When considering changes to the final budget, members should note that the validation is applied not only to expenditure but income.

3.2.4. The Capital charges estimate reflects the current policy and the 5 year Capital Programme elsewhere on the agenda, including the continued delivery of the Council's Modernising Education Programme as well as significant investment in the coming years as part of the Swansea Bay City Region.

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; Skills and Talent programme; and Digital Infrastructure – the last two being regional projects.

Welsh Government has approved the project business case for Yr Egin and released funding in respect of this project. The Wellness and Life Science Village project business case is near completion and is expected to be submitted to Welsh Government in the coming months.

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 formally agreed by the Joint Committee.

- 3.2.6. The most significant uncertainty in the budget relates to pay costs for staff on NJC terms and conditions. At this time last year, the budget report highlighted the cost of implementing the nationally agreed pay award, including the implementation of a new pay spine. The current, as yet unreconciled positions are an Employers' offer of 2% against a Union Pay Claim of 10% - when added to other elements of the claim this equates to an overall cost approximating to around 15%. The recent increase to the National Living Wage from £8.21/hour to £8.72/hour may also place additional pressure on the lower points on the pay spine.

Given the scale of the gap between the two sides, it seems unlikely that this will be resolved soon. The budget allows for an increase of 2.75% which appears to be in line with a number of other councils' assumptions.

As highlighted in paragraph 3.5.3, Teachers pay has been provided for at 2.75% per annum based on the September 2019 award however the outlook remains similarly uncertain.

- 3.2.7. The draft budget assumed the Fire Levy would increase by 5.71%. This has now been confirmed to meet the increased

costs of capital investments as well as the unfunded element of Firefighters' Pension cost increases.

3.2.8. 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.

3.2.9. In total validation adds £11.8m to the current year's budget.

### 3.3. Cost Reduction Programme

3.3.1. As detailed in the report to Executive Board on 6<sup>th</sup> January 2020, 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 D**). 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:

	2020/21 £m	2021/22 £m	2022/23 £m
Managerial	4.553	4.510	3.925
Existing Policy	0.509	0.700	0.030
New Policy	0.217	0.262	0.644
<b>Total</b>	<b>5.279</b>	<b>5.472</b>	<b>4.599</b>
Shortfall against target set	nil	0.458	0.610

(Detailed in **Appendix B**)

The shortfall on the targets set in years 2 and 3 of the budget strategy brings further financial risk, and further work will need to be undertaken in 2020/21 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. The draft budget provided £7.4m of funding towards known and unavoidable service pressures. Subsequently, the following further funding requirements have been identified:

- The UK Government announcement on 31<sup>st</sup> December of the National Living Wage increase to £8.72/hour was materially above the estimate of £8.63/hour set by the Office of Budget Responsibility. This increase impacts on commissioned care contracts and adds a requirement of £472k to social care budgets;
- WG have reduced the Sustainable Waste Management Grant by £2m across Wales (c.£110k for Carmarthenshire). As this funding supports core waste and recycling activities, there is need to replace the shortfall with core funding; and
- £90k of additional funding needs to be allocated to gritting budgets as a consequence of revised pay arrangements in relation to out of hours winter maintenance duties.

When the additional schools validation (paragraph 3.5.2 below) is included, there is a need to augment the draft budget by £983k as show in the table below.

Increase in NLW	£472k
Decrease in SWMG	£110k
Winter gritting arrangements	£90k
Increase in schools funding (validation)	£311k
<b>TOTAL</b>	<b>£983k</b>

A full list of pressures is provided at **Appendix C**.

### 3.5. Schools Delegated Budgets

3.5.1. The draft budget was constructed on the basis of full funding to schools for known and unavoidable pay, pensions and inflationary increases, including the provision of additional core funding to replace temporary WG pay and pension grants, the most significant of which was to fund the full year cost of the teachers pensions employer contribution increase from 16.5% to 23.6%.

3.5.2. This approach recognises the significant pressure many school budgets are under and an acknowledgement of the time

required to effect change. Updated departmental allocations/calculation of future pay awards and pension costs has resulted in an increased allocation of £311k to schools, which has therefore been added to delegated budgets.

In total, increases to core budgets and grants will be an increase of £10.1m to schools funding.

- 3.5.3. The most significant financial risk facing schools funding is identified as the uncertainty over future pay rises, and the funding required by schools to meet them. Whilst the Chancellor's aspiration to raise starting teachers' salaries to £30,000 by 2022/23 will be welcomed by many as a boost to recruitment and retention to the profession, this represents an increase of around a quarter to starting salaries. How this will affect the overall teacher payscale is not clear, nor is the provision of any additional funding.

In recent years, in-year additional grant funding has been provided by WG towards additional teachers pay award costs. The following extract from Julie James AM letter on 16 December which accompanied the provisional settlement makes it clear that WG have no such intent going forward:

*We have also provided funding for additional costs arising from the 2019/20 teachers' pay deal for the remainder of the academic year and have provided funding beyond this to recognise the future impacts of teachers' pay awards which will come into effect from September 2020.*

## **4. FUNDING**

### **4.1. Revenue Settlement 2020/21**

- 4.1.1. WG are not due to publish the final local government settlement for 2020/21 until 25 February 2020.
- 4.1.2. Consequently, this paper is based on information already released (subject to legislative process where applicable) in relating to specific funding elements as well as officers assumptions where appropriate. Our key assumption is that WG will make no material change to the headline level of funding, subject to the following specific details:

- 4.1.2.1. Confirmation of no change to the capital limit for charging for residential care (currently £50,000) and consequently no funding requirement;
- 4.1.2.2. An increase in the maximum weekly charge applicable in a non-residential charging to increase from £90 to £100 per week, providing an estimated £250k in income for Carmarthenshire.
- 4.1.2.3. Confirmed continuation of the £2.4m (£144k for CCC) funding to local authorities for discretionary rates relief.

4.1.3. Whilst we have yet to receive specific grant terms and conditions, we understand that WG are seeking to continue to apply a flexible approach to the new Additional Learning Needs (ALN) grant. Consequently this will be applied to the pressure identified in the draft budget, providing further budget headroom of £400k.

Similarly, we understand that it will be possible to apply the Social Care Workforce Grant according to local priorities. As such, the estimated additional £600k will fully provide for the additional NLW pressure identified in paragraph 3.4.2, leaving £128k unallocated (this is included within the overall £560k headroom identified below)

By contrast, our expectation is that the additional Pupil Development Grant, worth around £500k to Carmarthenshire, will be directed by WG conditions and as such does not create any budget headroom.

4.1.4. When added to the contingency sum in the draft budget, the items highlighted in paragraphs 4.1.2 to 4.1.3 above create additional budget headroom of £1.25 million as set out below:

Increase in weekly charging limit	£250k
New ALN grant	£400k
Increase in SCW grant	£600k
Contingency sum in draft budget	£293k
<b>Total</b>	<b>£1.543m</b>

Pending any further changes in the final settlement, and taking into consideration the £983k for expenditure items in paragraph 3.4.2, we calculate there to be budget headroom available of £560k in 2020/21.

Following receipt of the final settlement, the Director of Corporate Services will make any necessary changes in consultation with the Chief Executive, the Leader and the Executive Board Member for Resources.

4.1.5. Based on the provisional information, the salient points of next year's settlement are noted below:

4.1.6. The draft settlement for 2020/21 gave an increase in Standard Spending Assessment (SSA) for Carmarthenshire of £22.515m (6.4%), SSA on an all Wales basis also increased by 6.4%, un-adjusted for transfers and new responsibilities.

4.1.7. Figures for individual Local Authorities were provided for the one financial year only, 2020/21, with no indicative reductions for any future years.

4.1.8. Business Rate Poundage is to increase to 53.5p from the current rate of 52.6p for 2019/20.

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

	2019/20 Settlement £m	2020/21 Original Notification £m	2020/21 Final Settlement £m
Standard Spending Assessment	353.034	375.549	Available 25 February
Aggregate External Finance	260.388	274.159	Available 25 February
Difference	92.646	101.390	

The difference represents the sum WG estimates councils will need to raise through taxation or charging. Against the WG assessed funding requirement for Carmarthenshire, it is notable that the fund gap has increased by nearly £9m (9.5%). The WG figures indicate the need for an average Authority to set Band D council tax at £1,335.76, an increase of 7.1% on the equivalent figure last year.

## 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 Trade Agreement outcomes)
- Additional pressure on demand lead Services
- Overestimation of the future settlements.
- Lack of Welsh Government forward indicators for 2021/22 onwards.

4.2.3. Sensitivity impact analysis:

Budget element	Movement	Annual Impact £m
Pay inflation	1%	2.2
General inflation	1%	2.2

	(expenditure only)	
General inflation	1% (income only)	-1.3
WG Settlement	1%	2.7
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 <sup>st</sup> Apr 2019 £'000	31 <sup>st</sup> Mar 2020 £'000	31 <sup>st</sup> Mar 2021 £'000	31 <sup>st</sup> Mar 2022 £'000
Schools Reserves	-393	-3,593	-2,593	-1,593
General Reserves	10,376	10,376	10,376	10,376
Earmarked Reserves	83,915	64,279	36,659	21,114

### 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. The forward forecast is based on the current year budget monitoring and an expectation of multi-year deficit recovery plans to be finalised.

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 dependent on what is greater. School Improvement officers continually work with schools to ensure they comply with the guidance. As at 31<sup>st</sup> March 2019, 39 primary, 6 secondary and one special school were in deficit and 10 primary, 3 secondary one special school 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. As at 31 March 2019, General Reserves stood at £10.376m, or 2.9% of the 2019/20 net revenue budget.

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 2019/20 budget was set on the basis of a nil transfer from General Reserves, with the December Budget monitoring (outlined in paragraph 3.1.2 above) there could be a reduction in balances of £2,750k at the end of the current financial year.

5.1.3. Given the forecast overspend 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.

## 5.2. 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 2019	31 March 2020	31 March 2021	31 March 2022
	£'000	£'000	£'000	£'000
Insurance	11,401	11,451	11,501	12,051
Capital Funds	42,371	37,699	16,015	982
Development Fund	1,509	102	121	1,542
Corporate Retirement Fund	3,685	3,685	2,685	1,685
Joint Ventures	1,180	1,312	444	240
Other	23,769	10,030	5,893	4,614
<b>TOTAL</b>	<b>83,915</b>	<b>64,279</b>	<b>36,659</b>	<b>21,114</b>

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 2020/21, 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 2020/21**

**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 £97.434m which when added to the Welsh Government settlement will provide a net available expenditure budget for the Authority of £371.593m. 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 £560k:

	2020 - 2021 £'000	2021 - 2022 £'000	2022 - 2023 £'000
<b>Previous Years Budget</b>	<b>351,313</b>	<b>371,593</b>	<b>382,147</b>
Validations/Adjustments	24,998	16,484	16,137
<b>Validated Budget</b>	<b>376,312</b>	<b>388,077</b>	<b>398,284</b>
less			
Efficiency/Service Rationalisation	-5,279	-5,930	-5,209
<b>Projected Budget</b>	<b>371,033</b>	<b>382,147</b>	<b>393,075</b>
Potential sum available	560		
	<b>371,593</b>	<b>382,147</b>	<b>393,075</b>
WG Settlement RSG & NNDR	-274,159	-279,643	-285,235
<b>Call on Council Tax</b>	<b>97,434</b>	<b>102,505</b>	<b>107,840</b>
<b>Tax Base</b>	<b>74,007</b>	<b>74,229</b>	<b>74,451</b>
<b>Council Tax Rate (Band D)</b>	<b>£ 1,316.55</b>	<b>£ 1,380.92</b>	<b>£ 1,448.46</b>
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 £0.458m in 2021/22 and £0.610m in 2022/23.

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 4.1.7, Welsh Government has not provided figures for 2021/22 and beyond. This year's budget process is evidence that despite an unprecedented increase in funding, the scale of pressures is such that further savings will still need to be made to deliver a balanced budget. This report before you today assumes a 2.0% increase in the settlement for both 2021/22 and 2022/23. This will continually be reviewed as and when further information becomes available, particularly given the possible impact of a multi-year Westminster Comprehensive Spending Review planned for 2020. 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 2020/21;

7.2.2. The Band D Council Tax for 2020/21;

7.2.3. The allocation of the £560k recurrent funding available balance taking into account the range of responses received during the consultation process and any further pressures identified;

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

And:

7.2.5. Delegate to the Director of Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources, to make any amendments necessary as a consequence of the WG final settlement due on 25 February.

## COUNCIL FUND REVENUE ACCOUNT

TABLE 1

### SUMMARY STATEMENT

2019/20 Approved Budget £	2019/20 Provisional Outturn £		2020/21 Proposed Budget £	2021/22 Indicative Budget £	2022/23 Indicative Budget £
15,663,116	15,183,000	Chief Executive	16,497,336	16,778,346	16,899,516
166,860,362	170,797,000	Education & Childrens Services	177,709,984	180,801,823	184,292,867
25,751,434	25,263,000	Corporate Services	27,475,936	35,704,454	42,461,771
97,698,503	98,415,000	Communities	101,252,293	100,845,336	100,831,578
55,860,787	56,230,000	Environment Services	58,056,309	58,130,686	58,542,558
		Savings to be identified	560,000	-458,000	-610,000
<b>361,834,202</b>	<b>365,888,000</b>	<b>Departmental Expenditure</b>	<b>381,551,859</b>	<b>391,802,645</b>	<b>402,418,289</b>
(20,496,940)	(21,897,000)	Capital Charges/Asset Management Acc	(20,496,940)	(20,496,940)	(20,496,940)
		<u>Levies and Contributions</u>			
9,837,855	9,837,855	Mid & West Wales Fire Authority	10,399,597	10,699,105	11,007,239
138,479	138,479	Brecon Beacons National Park	138,479	142,467	146,570
<b>351,313,596</b>	<b>353,967,334</b>	<b>Net Expenditure</b>	<b>371,592,994</b>	<b>382,147,279</b>	<b>393,075,159</b>
0	0	Contribution from Balances	0	0	0
		Transfer to/from Departmental			
0	96,000	Balances/Earmarked Reserves	0	0	0
<b>351,313,596</b>	<b>354,063,334</b>	<b>NET BUDGET</b>	<b>371,592,994</b>	<b>382,147,279</b>	<b>393,075,159</b>
		<b>TO BE FINANCED FROM:</b>			
-260,388,476	-260,388,476	Aggregate External Finance	-274,159,437	-279,642,626	-285,235,478
<b>90,925,120</b>	<b>93,674,858</b>	<b>CALL ON TAXPAYERS</b>	<b>97,433,557</b>	<b>102,504,652</b>	<b>107,839,681</b>
1,255.17		<b>Band D Tax</b>	1,316.55	1,380.92	1,448.46
		<b>Council Tax Increase</b>	4.89%	4.89%	4.89%

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# REVENUE BUDGET 2020 - 2023

## CONSULTATION REPORT

FEBRUARY 2020

[carmarthenshire.gov.uk](http://carmarthenshire.gov.uk)

Cyngor **Sir Gâr**  
**Carmarthenshire**  
County Council



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## INTRODUCTION

A mixed-methods approach to ascertaining views on the 2020-23 budget took place during the period from 6<sup>th</sup> January 2020 to 28<sup>th</sup> January 2020.

In making savings, the Council is concerned to minimise the impact upon service delivery. In meeting the challenge of saving a total of £16.5 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 14 proposals (with a total value of £1.1 million) are being considered by the Council in balancing its budget for 2020-23.

There are a variety of legal and policy reasons why the Council must undertake full and meaningful consultation, where service changes are under consideration.<sup>1</sup> 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 14 proposals; and
5. Collates **minutes of meeting** in which the budget was discussed

## 1) OUTLINE OF APPROACH AND CONSULTATION METHODS

Whilst the settlement provided by Welsh Government was much 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).

### Councillor involvement

A series of departmental seminars for all county councillors took place over a two-day period: 7<sup>th</sup> January 2020 and 9<sup>th</sup> January 2020.<sup>2</sup> 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

<sup>1</sup> 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.

<sup>2</sup> 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.

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 14 policy proposals and asked respondents to express a view on the degree to which they supported the proposal.<sup>3</sup> Views were also sought regarding the potential impact of implementing the proposal on people and communities.<sup>4</sup>

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 **2006 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 21<sup>st</sup> November 2019 at Yr Egin, Carmarthen which involved year 10, 11, 12 and 13 students from Ysgol Bro Dinefwr; Ysgol Bro Myrddin; QE High; Ysgol Dyffryn Amman; Maes y Gwendraeth; Ysgol Glanymor; Coedcae a Ysgol Gyfun y Strade attended.

Each school had around 10 attendees. In all, around 80 young people participated in the event. Students were allocated two themes/topics within the remit of the council to discuss and given an introductory briefing. Within their topic area, pupils then discussed the challenges that face the council on a day-to-day basis, whilst managing ongoing financial cuts and increasing public demand. Pupils were required to identify strategies and potential ways to save money, before presenting their recommendations in the afternoon to their fellow pupils and officers of the council. Three groups from the eight schools attended the full council session 8<sup>th</sup> January 2020 to deliver their insight into their topic area.

The results are outlined in Chapter 5.

### **Other [Email responses received]**

13 emails and letters were submitted to the Council during the budget consultation period. Of these, 11 representations were specific to the Whitland Household Waste Recycling Centre and these are summarised under the aforementioned proposal.

Comments were also made on the following themes:

- Council structure and remuneration – a view that staff could be deployed more efficiently
- Opposition to council tax increases above the rate of inflation
- A reduction in the Council's library catalogue and increased use of automation to ensure the library service can be sustained in future years

### **Social Media Responses:**

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

<sup>4</sup> 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 summary of social media comments received on Facebook and Twitter can be seen below:

- More public toilets need to be made available at a better standard.
- Whitland Household Waste Recycling Centre should not be closed. Some expressed that the recycling centre is reaching its targets.
- School transport needs to be reviewed and prioritised by the council.
- Some expressed that the consultation is just 'another tick box exercise'.
- Stop making cuts to services which matter. A recognition needs to be made that cutting school budgets are false savings. Pupils and staff will pay for these cuts in reduced opportunities, larger class sizes, increased workloads and lack of support for the most vulnerable pupils.
- To charge an extra £1000 for residential placements is yet another tax on older people.
- Highways department need to review and be transparent as to when and why they are resurfacing roads. Seems to be a number of unnecessary road works in a number of different areas in Carmarthenshire whilst others are in need of repair.
- Isolation and loneliness needs to be addressed in the county. Need to ensure rural communities are better connected with towns whilst also making sure that there are social clubs and activities to do for all.
- Overstaffed in recycling centres. Some suggested that since the introduction of checks, there has been an increase in fly-tipping.
- Reduce wages for senior officers and councillors instead of increasing council tax and reduce their large pensions.
- Stop spending public money on sculptures and unnecessary 'vanity projects' and look to invest money into the community.
- Too many empty council houses and new properties being built. Council houses need to be improved to a better standard and occupied before building more.
- Some noted that they pay taxes to be provided with services, many expressed that they are paying increased council tax for less services.

The consultation also included a Schools Strategy and Budget Forum meeting on the 13<sup>th</sup> January 2020 and Trade Union Consultation Session on the 17<sup>th</sup> January 2020.

## **Publicity**

Local and regional press and local radio advertisements were used to inform the public how to become involved and obtain further information on the budget consultation. Carmarthenshire County council staff were also encouraged to take part in the Budget consultation via internal newsletter. Information was also highlighted on the council website via a pop-up, and on the newsroom throughout the consultation period and generated 3,128 'click throughs' (number of people who showed an interest in the budget consultation from the home page). On 8<sup>th</sup> December the Leader's Blog included information about the Budget consultation, whilst relevant information was also provided for dissemination via social media on 7<sup>th</sup> January and 27<sup>th</sup> January 2020. The total Twitter reach was estimated at 256,000, with 1,700 'click throughs'; compared with a reach of 52,000 for Facebook. The public also had the opportunity to attend a number of drop-in sessions which were held at the following destinations and also included Saturday drop-in sessions in town centre locations:

- Llandeilo, 10<sup>th</sup> January 2020

- St Clears, 14<sup>th</sup> January 2020
- Ammanford, 15<sup>th</sup> January 2020 and 18<sup>th</sup> January 2020
- Newcastle Emlyn, 16<sup>th</sup> January 2020
- Llandovery, 20<sup>th</sup> January 2020
- Llanelli, 18<sup>th</sup> January 2020 and 23<sup>rd</sup> January 2020
- Carmarthen. 18<sup>th</sup> January 2020 and 27<sup>th</sup> January 2020

In addition, the consultation was publicised through relevant equality groups, including Equality Carmarthenshire, 50+ Forum and the Carmarthenshire Disability Coalition for Action. The Carmarthenshire Community and Town Council Liaison Forum held a specific meeting to discuss the budget on the 8<sup>th</sup> January 2020 with the consultation information also circulated to all clerks in the Community and Town Council newsletter. All Town and Community Councils were asked to take part using the online consultation.

The public consultation phase ran from 6<sup>th</sup> January 2020 to 28<sup>th</sup> January 2020. In total, 2,006 responses were received, only 21 were paper based.

**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**

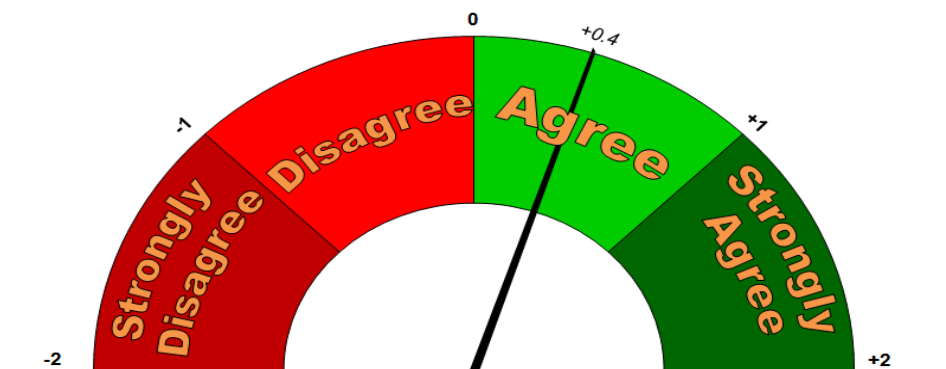
10 people are asked whether they ‘strongly agree’, ‘agree’, ‘have no opinion’, ‘disagree’ or ‘strongly disagree’ that Wales will win the six nations.

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**)

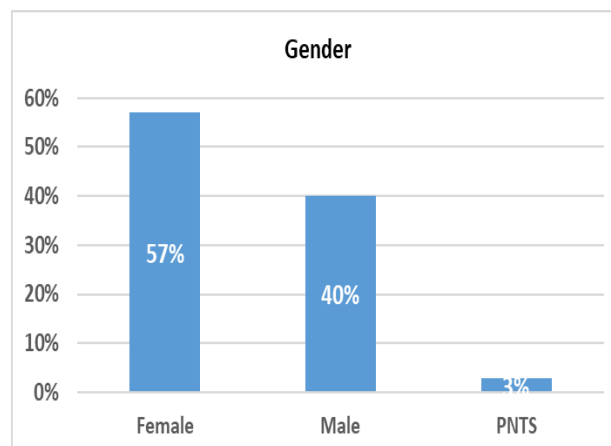
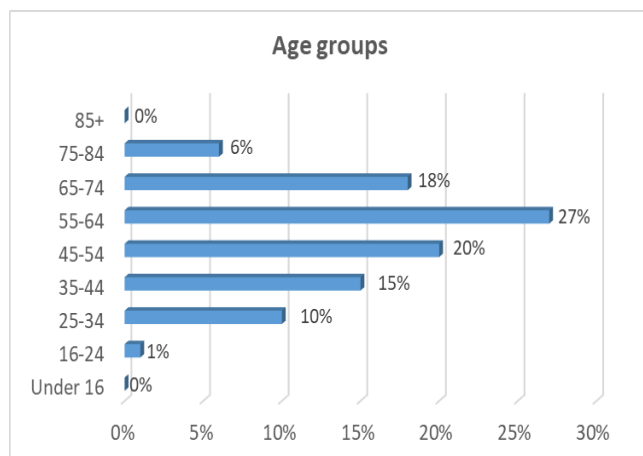
The AIS is calculated by adding all the numbers in bold: so,  $6+3+0-1-4=4$ ;

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 1983 respondents who gave completed answers to demographic questions: 98% were from individuals and 2% from Town and Community Councils, organisations or businesses.<sup>5</sup>



Demographic Characteristic	Overall %
Transgender	0.3%
PNTS	3.6%
<b>Relationship status</b>	
Single	12%
Married	61%
Separated	2%
Divorced	6%
Widowed	5%
Civil partnership	1%
Co-habiting	10%
Other	0.4%
PNTS	4%
<b>Sexual orientation</b>	
Straight	86%
LGB	3%
PNTS	11%
<b>Religion</b>	
Yes	39%
PNTS	10%
<b>Caring responsibilities</b>	
Yes	15%
PNTS	4%

Demographic Characteristic	Overall %
<b>Ethnicity</b>	
White	95%
BME	1%
Other	0%
PNTS	4%
<b>Disability</b>	
Yes	11%
No	85%
PNTS	4%
<b>Preferred language</b>	
Welsh	15%
English	85%
Other	1%
<b>Income</b>	
<£10,000	7%
£10,000 – £19,999	18%
£20,000 – £29,999	18%
£30,000 – £39,999	11%
£40,000 – £49,999	11%
£50,000 – £59,999	7%
> £60,000	8%
PNTS	21%

<sup>5</sup> Whitland Town Council; Laugharne Town & Community Council; Llanwinio Community Council; Llangynin Community Council; St Clears Town Council; Simon Hart MP; 50+ Forum; Ysgol Hafodwenog; Llywodraethwyr Ysgol Penboyr; Ty Gwyn Church; Henllanfallteg Community Association Trustee; Meddwl Coed; Whitland Memorial Hall; The Friends of Llanelli Museum; Gwasanaeth Amgylchedd Williams Environment Service; Gerald R Vaughan Estate Agents; Pink Peppercorn Food Co; Evan-Evans Brewery; Jones Motors (Login) Ltd.; Jonathan's Business Services. Comments were also received via email/letter from Henllanfallteg Community Council and David Harries & Co. Email and letter responses from individuals have also been considered in the analysis.

A total of 1,390 respondents included their post codes. These have been grouped into six community areas for analytical purposes. AISs for community areas have been recorded for five proposals which are specific to a location, such as Whitland. Appendix 1 maps out the community area boundaries and their constituent postcodes.

	Community Area 1	Community Area 2	Community Area 3	Community Area 4	Community Area 5	Community Area 6
<b>Number of Responses</b>	672	187	540	103	161	161
<b>% Responses</b>	48%	14%	39%	7%	12%	12%

### 3) SUMMARY OF KEY FINDINGS

#### Headline results – all 14 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'.<sup>6</sup> The table is ranked in order by AIS score. Those proposals with higher levels of support, reflected in higher AIS scores, appear first.<sup>7</sup>

Ranking	3 Year Saving (£'000)	% who selected proposal	Strongly Agree (%)	Agree (%)	Neither (%)	Disagree (%)	Strongly Disagree (%)	Average Index Score
<b>Commercial opportunity - Income from Japanese Knotweed treatment (net)</b>	10,000	23%	46%	34%	11%	4%	6%	<b>1.12</b>
<b>Reduction in Age Cymru Costs</b>	20,000	22%	29%	35%	14%	12%	11%	<b>0.59</b>
<b>Y Gât - St Clears</b>	45,000	16%	21%	31%	14%	17%	17%	<b>0.22</b>
<b>All sport facilities</b>	73,000	38%	17%	33%	13%	18%	20%	<b>0.09</b>
<b>Across education services</b>	300,000	34%	16%	31%	15%	17%	22%	<b>0.01</b>
<b>Park keeping at Parc Howard</b>	10,000	21%	20%	24%	14%	20%	22%	<b>0.00</b>
<b>Primary school delegated budget</b>	250,000	29%	20%	26%	12%	15%	27%	<b>-0.03</b>
<b>Public conveniences - increase charge</b>	23,000	34%	18%	26%	13%	20%	23%	<b>-0.05</b>
<b>Additional Learning Needs (ALN)</b>	100,000	28%	16%	29%	12%	18%	26%	<b>-0.09</b>
<b>Cemetery charges increase</b>	1,500	19%	14%	23%	22%	20%	21%	<b>-0.11</b>
<b>Youth support services</b>	50,000	26%	13%	25%	15%	24%	23%	<b>-0.19</b>
<b>Residential placements - self funding administration fee</b>	60,000	23%	14%	20%	20%	20%	26%	<b>-0.24</b>
<b>Closure toilet facilities</b>	100,000	44%	10%	18%	11%	29%	32%	<b>-0.54</b>
<b>Whitland Household Waste Recycling Centre (HWRC)</b>	80,000	40%	8%	6%	3%	9%	74%	<b>-1.36</b>

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

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



#### 4) CONSULTATION FINDINGS – ALL PROPOSALS

Below, all 14 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 have been considered together and themes identified.

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. Additional Learning Needs

**Total Budget:** £650,000

**3 Year Savings:** £100,000

2020 – 21	2021- 22	2022- 23
100	0	0

### Description:

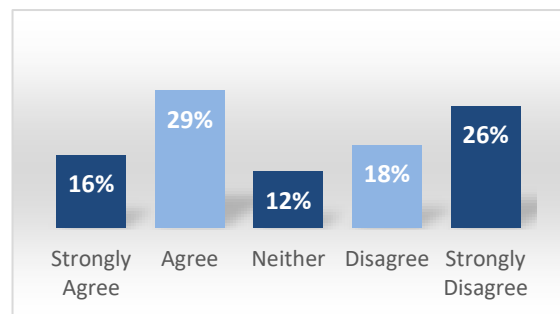
Maintain the Teaching complement to work on an outreach basis so that the pupils attend their local school and benefit from the additional support which could therefore become more widespread. It is expected that the Teaching Assistants (TA) could be redeployed as part of the development of the centrally coordinated special educational needs (SEN) support pool releasing part of this specific budget area.

**Increase in Council Tax if not adopted:** 0.11% (£1.35 a year)

**Average Index Score:** -0.09

**Overall Rank (of 14):** 9

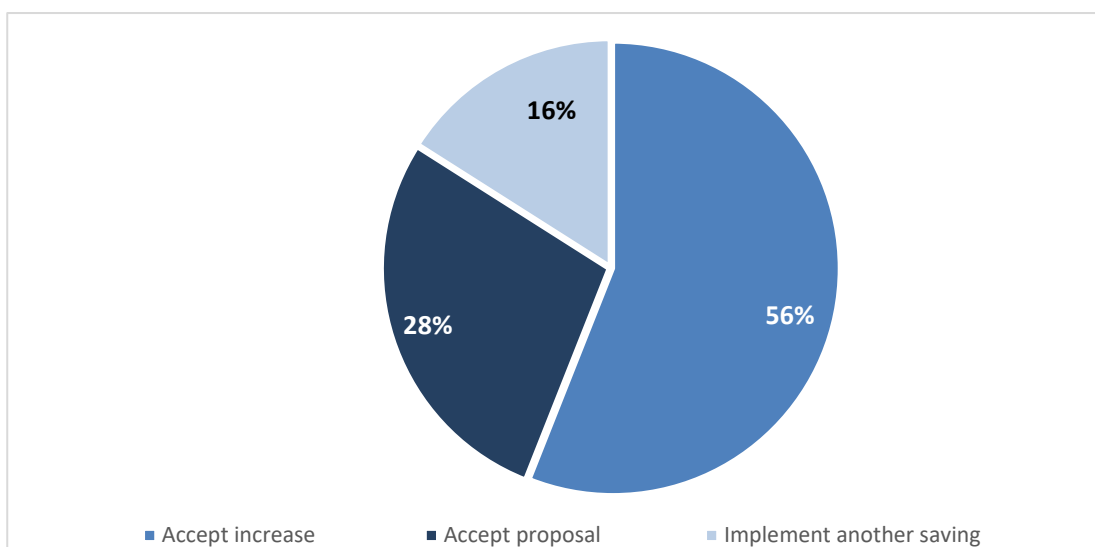
**Sample Size:** 529



	Single	BME	16-24	25-64	65+	F	M
AIS	-0.03	-0.67	0.57	-0.13	-0.03	-0.16	0.01
Sample	124	3	7	404	88	331	160

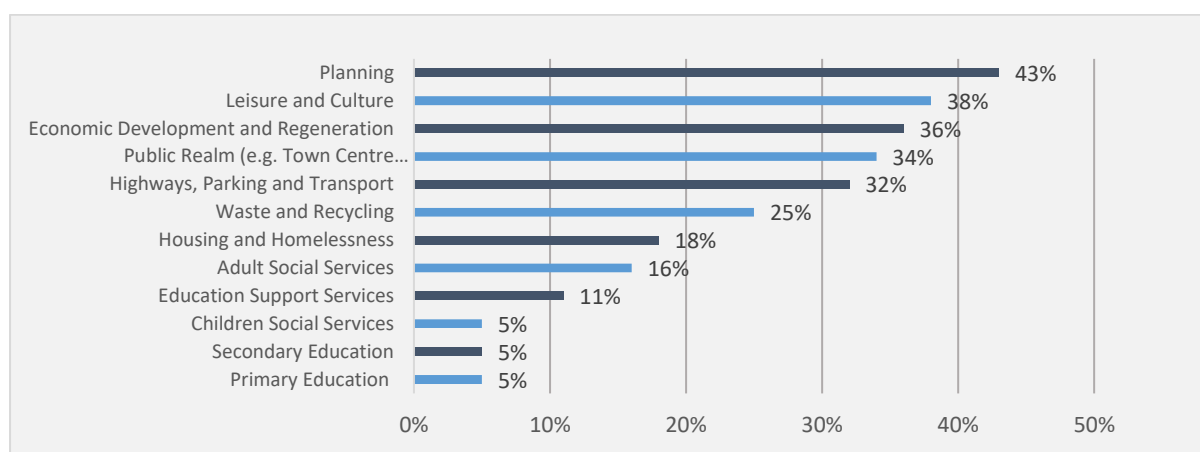
	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.12	-0.21	0.30	-0.09	-0.10	-0.32	0.12
Sample	52	231	20	88	118	149	163

Response to accepting a 0.11% 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 76 responses received).



### Key themes from the public consultation:

#### Impact – 176 comments

- Many noted that schools, and more specifically teachers, are under increased pressure and are stretched beyond capacity due to increased workload and reduced budgets. This is causing a significant impact on teacher's well-being and reducing the level of support to all learners.
- A large number of respondents noted that this efficiency proposal will have a significant impact on ALN pupils who require specialist help.
- Some expressed that the proposal would have an impact on budgets in the future due to the lack of support provided to children with ALN.
- Some respondents indicated that the proposal would have an impact on families as the reduced support would have a negative impact on the learner's well-being.
- Many respondents stressed that there should be an increase in the budget rather than an efficiency. Some noted that due to the increase in ALN pupils, staff and schools are unable to provide the necessary level of support.

#### Mitigation – 134 comments

- Several respondents could not come up with any suggestions on how the impact of the proposal could be lessened. These respondents expressed that the proposal should not be implemented.
- Many respondents indicated that by upskilling staff, this may lessen the impact of the proposal. Furthermore, by providing teacher training and educating families and parents, this may reduce the impact of the proposal.
- Some expressed that identification and assessment of pupils should be conducted earlier. A number of individuals noted that by identifying ALN pupils earlier, this will provide the best opportunity to be fully supported.

### Councillor Engagement:

- It was generally felt that children are better supported in their own schools and as such, the aspiration of reducing the number of children in specialist

settings was agreed with Need to take into the account the additional needs transformation agenda

- There was some concern over the consistency and quality of this support if carried out on an out-reach basis. ALN support is specialist in its nature and the question was raised as to whether this would be false economy as good quality support from properly trained and experienced staff would still cost the same.
- Some members questioned where this proposal sits in the context of the wider ALN reform currently taking place. There was some concern that reducing the number of places in specialist settings might overburden schools with additional workload without additional resource at a time when they are already under considerable pressure.
- Councillors noted that savings on buildings can't be made to the detriment of both/either mainstream or specialist setting pupils
- Upskilling staff will take time

<b>Equality Impact Assessment summary:</b>
<b>Description of impact:</b>
This proposal applies to both secondary and primary provision
<b>Affected groups:</b>
Potential impact on pupils of school age, disabled children and young people and those who require behavioural and social support
<b>Mitigation:</b>
Tailored Learning and Development opportunities for staff to improve skills and knowledge, in order to develop a specialised pool of staff and to ensure that skills are transferred and not lost
Centrally employed TAs will be highly skilled and be appropriately deployed across primary and secondary schools
Centrally pooled staff will also ensure that the Local Authority will be able to deploy staff to schools at a quicker pace, this ensuring pupils' needs are met.
<b>Assessment undertaken:</b> A Thomas – 31.01.2020

## 2. Youth Support Services

Total Budget: £860,000

3 Year Savings: £50,000

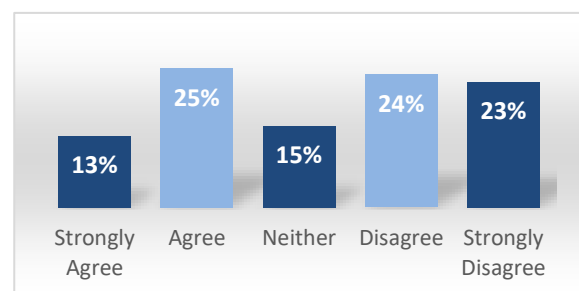
2020- 21	2021 - 22	2022 - 23
50	0	0

### Description:

On the assumption that the additional grant funding awarded in 2019/20 will continue, services would not be reduced in achieving this efficiency. If the grant funding is reduced, a number of smaller reductions to minimise the impact on beneficiaries will be implemented such as challenging need before filling vacant posts, reducing D of E support, less frequent provision of activities. This is in addition to the £50k existing policy that was deferred from 2019/20.

**Increase in Council Tax if not adopted:** 0.05% (£0.68 a year)

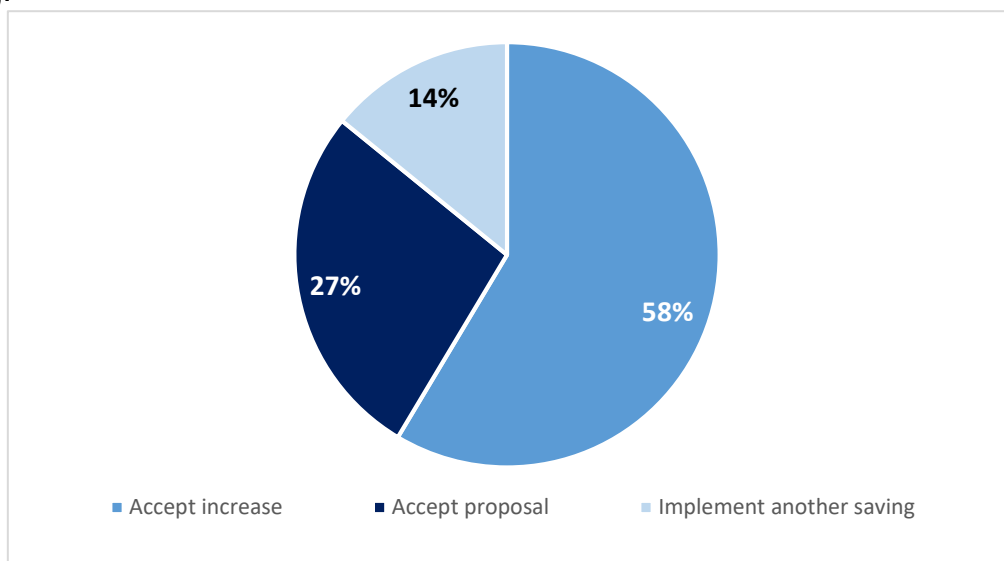
**Average Index Score:** -0.19  
**Overall Rank (of 14):** 10  
**Sample Size:** 486



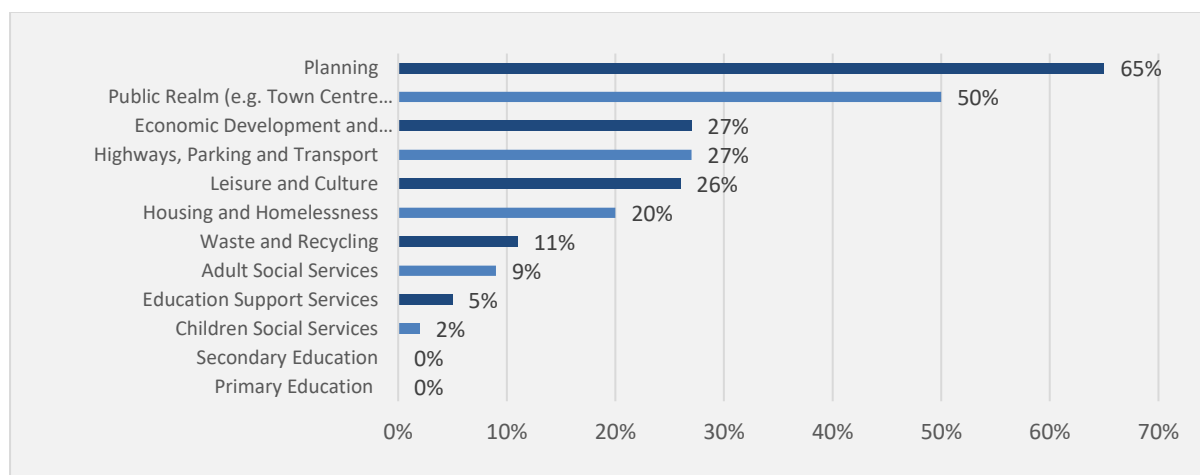
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.13	0.13	1.13	-0.18	-0.28	-0.20	-0.18
Sample	100	8	8	367	86	290	170

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	-0.06	-0.22	0.04	-0.07	-0.13	-0.34	0.00
Sample	47	173	24	80	109	134	149

Response to accepting a 0.05% 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 66 responses received).



### Key themes from the public consultation:

#### Impact – 138 comments

- The majority of comments made by respondents expressed the lack of support services and activities to participate in for young people. A large number of respondents indicated that by implementing the proposal, it is likely that there will be an increase in anti-social behaviour which would have a significant impact on families, communities and the local authority.
- Some respondents noted that there is an increasing pressure on young people to succeed and to be successful in schools. The service provides an opportunity to learn and develop outside of the traditional classroom. Respondents indicated that this proposal may have an impact on youth development.
- A number of respondents suggested that the proposal may have a longer-term impact on the community due to the increased chance of anti-social behaviour. Moreover, suggestions were made regarding the longer-term cost implications for the local authority.

#### Mitigation – 94 comments

- Many comments received emphasised the importance of recruiting volunteers to assist in the delivery of activities.
- A large number of respondents suggested raising funds for activities through other means. Third sector organisations, asking for a small fee and fund raising from young people using facilities were all popular suggestions.
- Some respondents suggested that other opportunities within the county should be better communicated to parents and young people.

### Councillor Engagement:

- Members supported the proposal and stated that the work of the Youth Service was extremely valuable, particularly in deprived areas.
- There was concern, however, over the sustainability of the service should grant funding be removed or reduced.

## Equality Impact Assessment summary:

### **Description of impact:**

- 1) 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.
- 2) The ending of funding for Welsh Language Youth Clubs could have an effect on Welsh language speakers

### **Affected groups:**

- 1) Young people aged 11-25.
- 2) Welsh Language speakers

### **Mitigation:**

- 1) 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.
- 2) 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:** A Rees 20/12/2019

### 3. Across education services

**Total Budget:** £14,561,000

**3 Year Savings:** £300,000

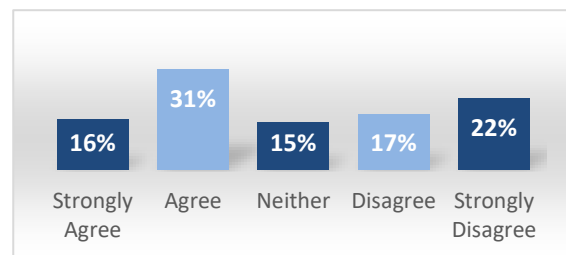
2020-21	2021 - 22	2022 - 23
0	0	300

**Description:**

Rationalising of Primary Schools will enable a reduced level of support to function appropriately with fewer sites. The savings would actually be managerial as service provision would not be reduced, however it is a policy decision that would enable this efficiency to be delivered.

**Increase in Council Tax if not adopted:** 0.32% (£4.05 a year)

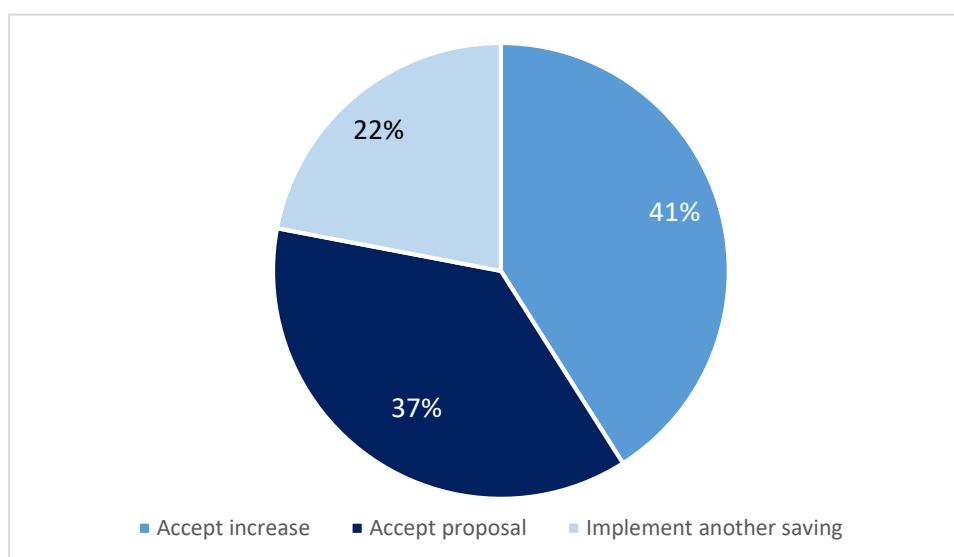
**Average Index Score:** 0.01  
**Overall Rank (of 14):** 5  
**Sample Size:** 631



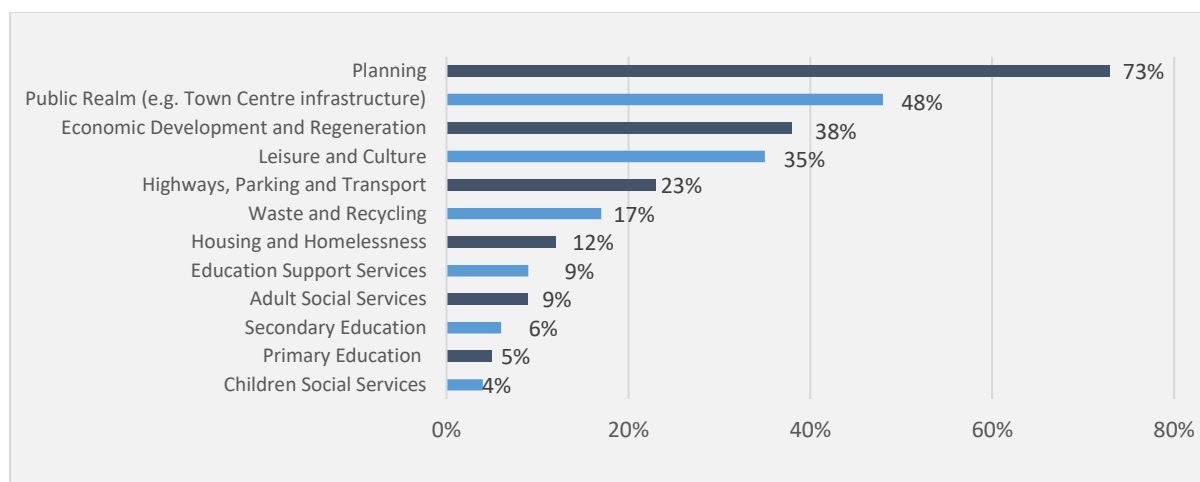
	Single	BME	16-24	25-64	65+	F	M
AIS	0.02	-0.60	1.00	-0.02	0.17	-0.12	0.20
Sample	132	5	6	480	114	373	226

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.04	-0.02	0.30	-0.05	-0.02	-0.10	0.23
Sample	67	249	27	98	133	172	201

Response to accepting a 0.32% 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 127 responses received).



### Key themes from the public consultation:

#### Impact – 175 comments

- Several respondents felt that if this proposal was implemented it could have an impact on small, rural communities.
- Some comments indicated that this may have an impact on the Welsh language.
- Some respondents commented that it would increase the pressure put on parents/carers to ensure their children are attending school due to the potential of increased travel.
- Some respondents felt that this could impact teachers' ability to properly educate learners. Some noted that it would increase classroom sizes which would increase pressure on teachers and therefore impact pupils learning.
- A number of individuals felt that if efficiencies were made at a managerial level, this would be acceptable. However, it was noted that the efficiencies cannot impact teaching staff.

#### Mitigation – 124 comments

- Some respondents suggested that managers/head teachers, data officers and administration functions could be shared in a cluster of local schools.
- A number of respondents felt that if the proposal is implemented, adequate public transport should be made available to pupils.
- Some felt that the wording of the proposal was too confusing and were unable to comment.

### Councillor Engagement:

- It was recognised that there were long term benefits
- Councillors questioned whether schools should be responsible for finance management, building management, admin etc
- Need to look at things centrally to support school staff
- Need to make sure that all SLA's are fit for purpose
- School governors need more training on finance management etc.
- Needs to fit in with the 10-year vision

- Proper consultation is required on school rationalisation proposals

### Equality Impact Assessment summary:

#### **Description of impact:**

The majority of the Services' budgets are for the support, administration and management of the schools - School improvement, Grant support, Data, Admissions.

#### **Affected groups:**

Age

Disability

#### **Mitigation:**

The LA must be able to provide services for both the primary and secondary sector to meet the needs of every pupil

The LA must be able to provide specialist services to support pupils across a range of disabilities

The quality and breadth of support provided to local schools must continue to be of the highest standard.

**Assessment undertaken:** A Thomas – 31.01.2020



#### 4. Primary school delegated budget

**Total Budget:** £56,252,000

**3 Year Savings:** £250,000

2020- 21	2021 - 22	2022 - 23
0	0	250

**Description:** 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. Rationalising the number of schools will improve the financial stability of the remaining schools.

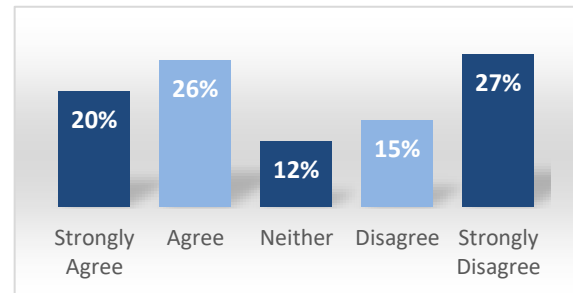
**Increase in Council Tax if not adopted:** 0.27% (£3.38 a year)

**Average Index Score:** -0.03

**Overall Rank (of 14):** 7

**Sample Size:** 550

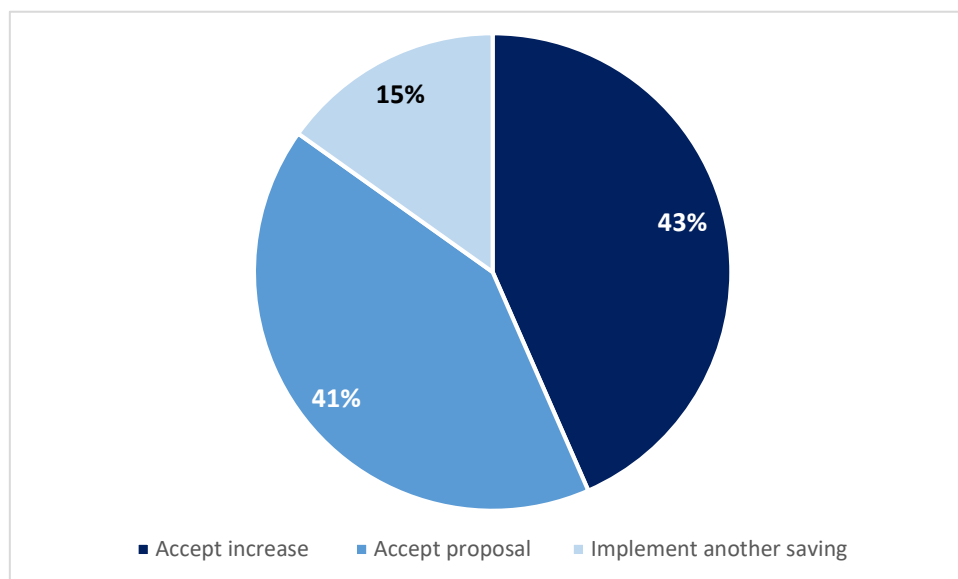
**Previous AIS:** -0.37 (2017)



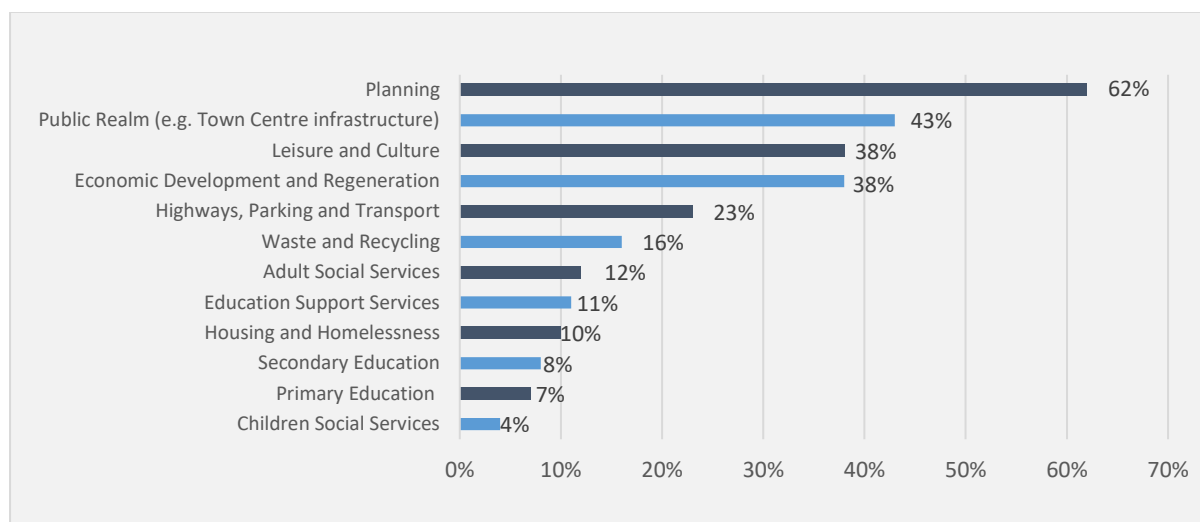
	Single	BME	16-24	25-64	65+	F	M
AIS	0.13	0.25	0.00	-0.02	0.00	-0.13	0.13
Sample	102	4	5	443	78	324	198

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.37	-0.08	-0.21	-0.13	-0.16	-0.20	0.17
Sample	49	219	19	79	102	147	198

Response to accepting a 0.27% 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 74 responses received).



### Key themes from the public consultation:

#### Impact – 175 comments

- Most respondents felt that if this proposal was implemented it would have a negative impact on small and rural communities. Many suggested that if smaller schools are removed from small communities, this would be detrimental. A number of respondents expressed that if school closures happened, families would not want to live in these areas which would impact the community.
- Respondents also noted that it would increase pressure on families due to transportation issues. Some also indicated that due to increased travel distances, this would have a negative impact on the environment and traffic.
- Many suggested that by merging schools, this would increase classroom sizes. Respondents felt that this would have an impact on pupils' education negatively and increase teaching staff pressure. Furthermore, some respondents indicated that this would have a greater impact on children with ALN.

#### Mitigation – 119 comments

- The majority suggested that the impact could be lessened by ensuring that there are sufficient amount of teaching staff and support staff to provide a good level of education.
- Many comments disagreed with the proposal noting that efficiencies should be made elsewhere.
- Many suggested that transport needs to be ensured to pupils ho are affected by this proposal.
- Some respondents suggested that support for financial management within schools needs to be improved.
- Other suggestions included; sharing management between schools and utilising smaller schools as ALN centres.

### Councillor Engagement:

- The financial reasons for reducing the primary footprint were understood and noted.
- There was some concern over the conflict between this policy and wider Council initiatives to support sustainable rural communities across the county. It was felt that school closures would have a detrimental effect on rural areas and community cohesion.
- However, members felt that, if this were to move forward, the quality of consultation with communities is a crucial aspect. Community councils, parents, governors should be included in this. There must be a focus on the positives and advantages to children of rationalisation of school buildings. It was suggested that the Media Dept be involved in publicising (creating a publicity film?) successful projects such as Carreg Hirfaen to reassure stakeholders that children will not be disadvantaged and that the essence of living in a rural community is maintained.
- It was felt strongly that any review of the primary footprint must be carried out closely in tandem with the MEP review and the aspirations of the 10-year plan for education in Carmarthenshire.
- It was suggested and accepted by all that there cannot be a 'one size fits all' approach and that the needs and contexts of different rural communities must be considered with different models employed in each, whether this leads to school closure with children moved to existing local schools, the construction of new larger 'area' schools with resultant closure of existing buildings or federation of small schools within a geographical cluster of rural communities. The above point in relation to consultation is also relevant here.

### Equality Impact Assessment summary:

<b>Description of impact:</b>
This proposal affects the primary sector rather than secondary sector
<b>Affected groups:</b>
Age Disability Welsh language Rural Communities
<b>Mitigation:</b>
If this proposal is agreed, a full impact assessment its effect on rural communities will be carried out
Pupils will benefit from additional socialisation and engagement with peers
We foresee that primary schools' pupils will benefit from an increased and more specialist provision with a reduction in the age range being taught
Provision will need to be made for pupils with disabilities to ensure access to the primary sector and their local schools
Any further consideration will have to ensure improved accessibility and provision for any pupil with a disability.
<b>Assessment undertaken:</b> A Thomas 31.01.2020

## 5. Y Gât (St Clears)

**Total Budget:** £40,000

**3 Year Savings:** £45,000

2020-21	2021 - 22	2022 - 23
10	35	0

**Description:** Review of business purpose of Y Gat (St. Clears) with community partners (EIA). The continued operation of the facility in house has been reviewed and the conclusion is that the facility is unlikely to be viable in its current operational format as income growth has not been realised.

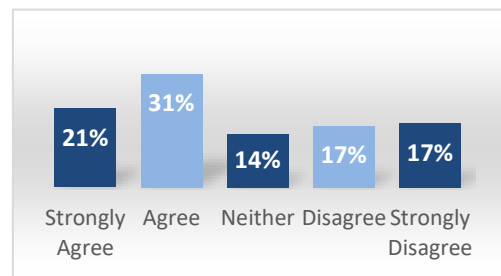
**Increase in Council Tax if not adopted:** 0.05% (£0.61 a year)

**Average Index Score:** 0.22

**Overall Rank (of 14):** 3

**Sample Size:** 307

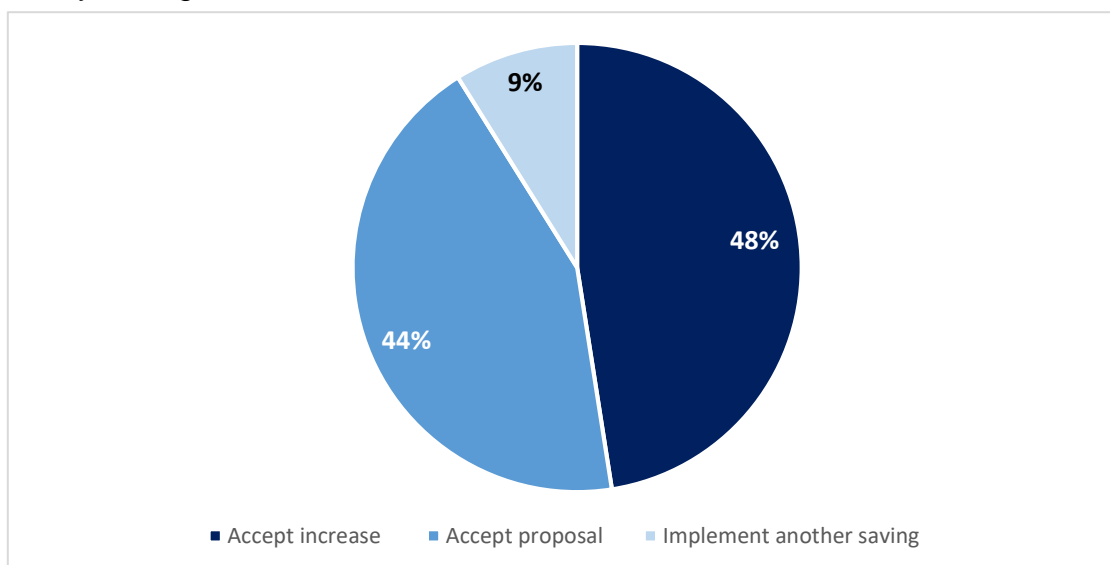
**Previous AIS:** 0.75 (2018)



	Single	BME	16-24	25-64	65+	F	M	CA1 <sup>8</sup>
AIS	0.36	0.67	1.00	0.35	-0.21	0.17	0.31	0.07
Sample	56	3	5	219	63	156	126	157

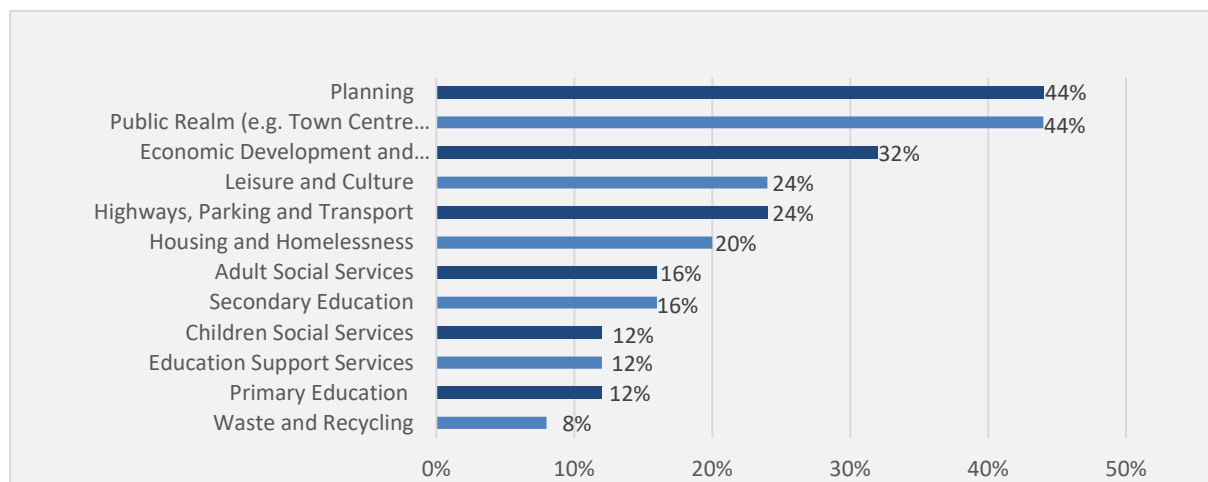
	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.44	0.31	0.63	0.04	0.02	0.08	0.54
Sample	32	107	8	46	54	90	91

Response to accepting a 0.05% increase in the Council Tax in order to avoid efficiency saving.



<sup>8</sup> Community Area 1 is inclusive of the St Clears area

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 – 96 comments

- Many respondents felt that this proposal would have an impact on the residents of St Clears noting that individuals use the facilities to meet and socialise. Respondents also noted that this would have an impact on those who use the facilities and are unable to travel to other destinations.
- Some indicated that the facility attracts people to the area and therefore tourism would decrease if the proposal is actioned.
- Some respondents noted that St Clears is a part of the Rural Regeneration strategy and suggested that due to closures, the area is suffering.

#### Mitigation – 66 comments

- Some respondents noted that it would be beneficial if current events and activities were better promoted and advertised to a wider audience.
- Some noted that if the current activities and events are not generating income and interest, the Gât should be used for other activities.
- A number of respondents suggested that a community asset transfer or a private company could be a mitigation.

### Councillor Engagement:

- Councillors requested further clarity on the option to asset transfer to the local community

## Equality Impact Assessment summary:

### **Description of impact:**

Existing Centre users may have to travel between 5 and 11 miles to participate in similar arts activities in Carmarthen and library activities in Whitland. Furthermore, not all arts activities are available in Carmarthen. However, there are more diverse library facilities available to those travelling to Carmarthen. Moreover, there are arts and gallery facilities are also available in Carmarthen.

A further description of impact for specific groups can be seen below:

- 1) Older customers may have mobility issues that could impact on their ability to travel further to take part in artistic activity.
- 2) Disabled customers may have mobility issues that could impact on their ability to travel further to take part in artistic activity. The gallery in Carmarthen is not fully access compliant although there are proposals for improvement which are being considered as part of a capital program review in the 2020 capital budget setting.
- 3) There will be a need to ensure that service users are able to access services in the language of their choice. Welsh language requirements will need to be met and the service delivery model adopted will need to deliver Welsh Government policy requirements.

### **Affected groups:**

- 1) Older people
- 2) Users/staff with disabilities
- 3) Welsh Language

### **Mitigation:**

- 1) 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
- 2) 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
- 3) Any alternative service delivery model developed will need to ensure that Welsh language provision is catered for.

**Assessment undertaken:** J Davies December 2019

## 6. All sport facilities

Total Budget: £611,000

3 Year Savings: £73,000

2020 - 21	2021 - 22	2022 - 23
25	19	29

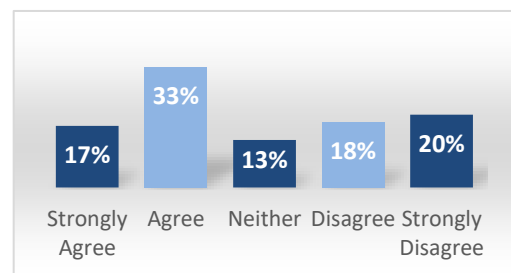
**Description:** There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandovery, St Clears and Newcastle Emlyn. A variety of activities at your local leisure centre such as; Swimming, Diving, Canoeing, Fitness, Cycling, Badminton, Tennis, Table Tennis, Squash, Hockey, Netball, Basketball, Football, Rugby, Cricket, Gymnastics, Birthday Parties, Holiday programmes. There were over a million visits to the Leisure facilities in the last 12 months. The proposal is to increase charges for all sport facilities.

**Increase in Council Tax if not adopted:** 0.08% (£0.99 a year)

**Average Index Score:** 0.09

**Rank (of 14):** 4

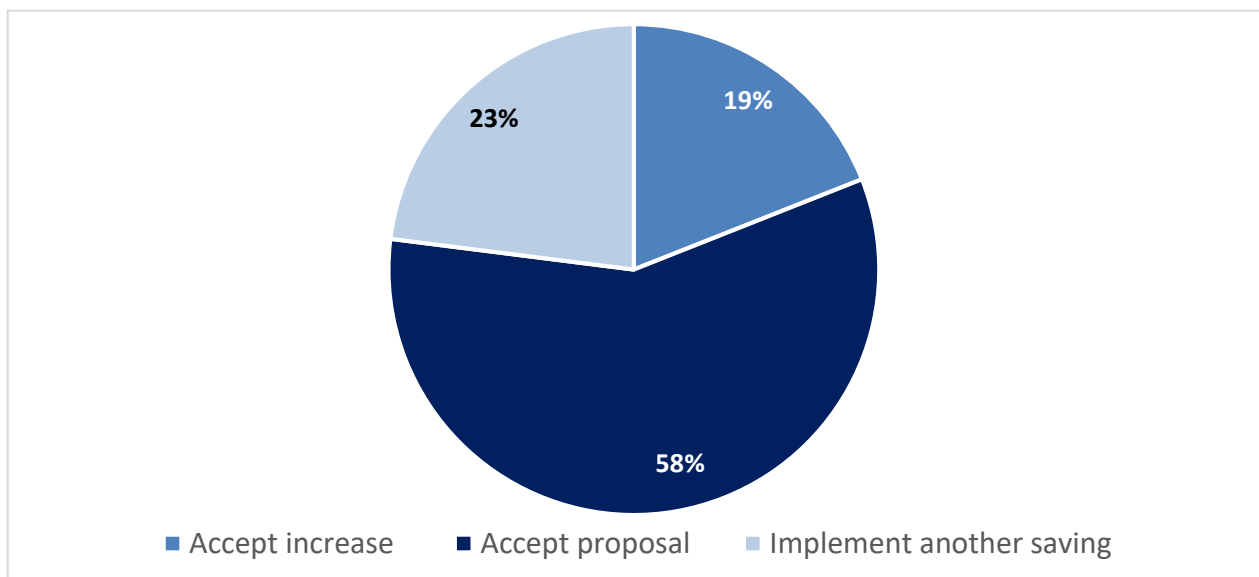
**Sample Size:** 731



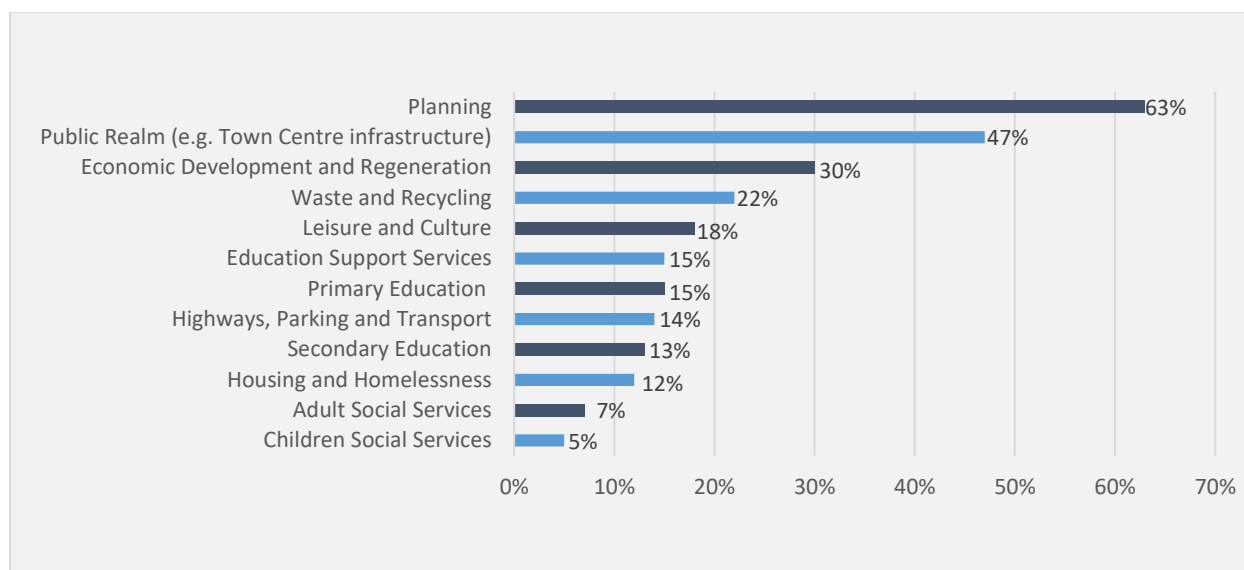
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.03	-0.20	0.13	0.03	0.28	-0.01	0.17
Sample	160	5	8	544	144	380	308

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.15	0.12	-0.27	0.09	0.10	0.08	0.10
Sample	65	249	26	102	153	204	224

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 94 responses received).



### Key themes from the public consultation:

#### Impact – 231 comments

- Many respondents noted that the implementation of this proposal would have a significant impact on citizens health and wellbeing. Many noted that due to an increase in charges, this would dissuade people from using the facilities. Many expressed that this would have significant impact on other public services in the future.
- A number of respondents indicated that this proposal would have an impact on lower income families.
- Some respondents indicated that this would reduce the number of visits as many private sport facilities offer their facilities cheaper. Furthermore, a number of comments suggested that the facilities are not up to standard and are already too expensive.
- Some comments indicated that if facilities were improved, this would merit an increase in charges and would then pay an increased price.
- Respondents also felt that this would have an impact on families, creating a barrier to exercise. Some expressed that the increase in charges would have an impact on the range of activities available to children.

#### Mitigation – 165 comments

- The majority of respondents suggested that discounted prices should apply for different groups of people. For example, Older people, people with low income, children under 5 and council staff were all noted as options.
- Some respondents noted that leisure centres should be more accessible by increasing opening times and providing a wider range of activities. Furthermore, some indicated that there is a need to publicise these activities and facilities more often.
- Some respondents stated that package deals would help increase footfall in sport facilities.



- Some respondents felt that the council should link in with GPs and hospitals so that the sport facilities can be used as venues for exercise prescription. .

**Councillor Engagement:**

- Councillors generally opposed to increased charges to all sports facilities given the importance of leisure and physical activity to the wellbeing agenda

**Equality Impact Assessment summary:**

<b>Description of impact:</b>
Users may not continue coming to our facilities which could affect their general health and well-being.
<b>Affected groups:</b>
<ul style="list-style-type: none"> <li>• Age</li> <li>• Disability</li> </ul>
<b>Mitigation:</b>
<ul style="list-style-type: none"> <li>• Various social charging offers are in place to mitigate risk and to support such groups</li> <li>• 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.</li> </ul>
<b>Assessment undertaken:</b> C Daniels 17/2/2020

## 7. Residential placements - self funding administration fee

Total Budget: £0

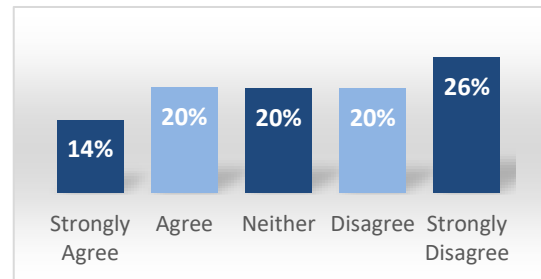
3 Year Savings: £60,000

2020- 21	2021 - 22	2022 - 23
0	20	40

**Description:** To make a charge of £1,000 to individuals who are self-funding their placement, per annum. The proposal would need to be approved by Council.

**Increase in Council Tax if not adopted:** 0.06% (£0.81 a year)

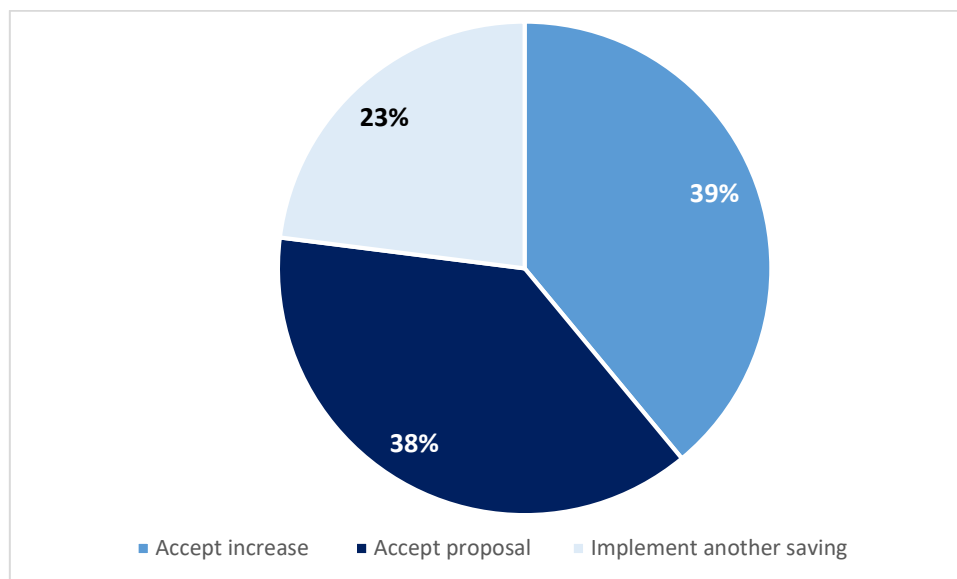
**Average Index Score:** -0.24  
**Overall Rank (of 14):** 12  
**Sample Size:** 436



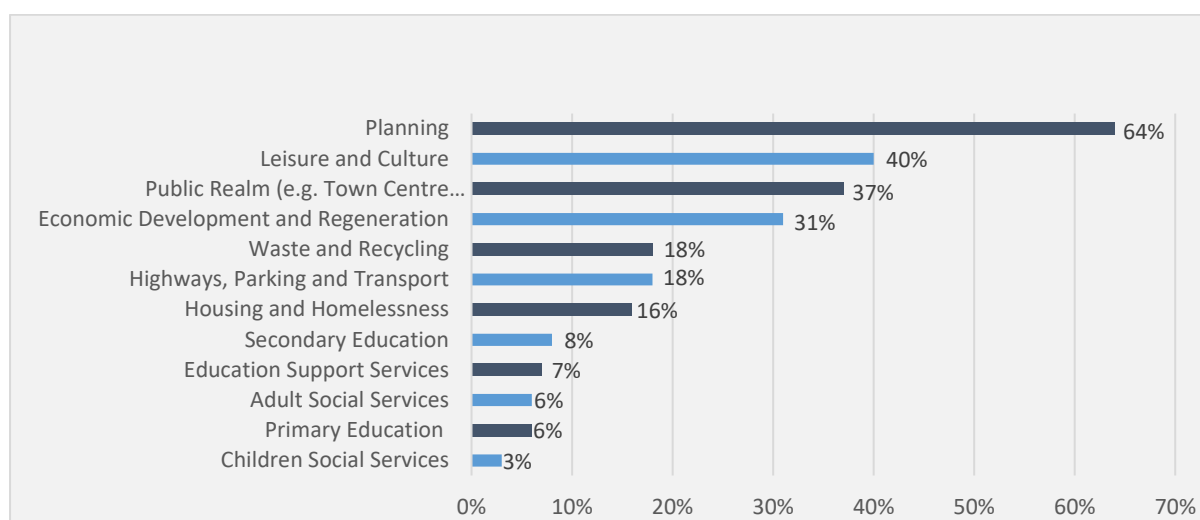
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.24	0.25	0.13	-0.25	-0.29	-0.46	0.01
Sample	107	4	8	294	109	254	153

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	-0.23	-0.24	-0.47	-0.41	-0.39	-0.32	-0.23
Sample	62	178	17	81	90	134	108

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 88 responses received).



### Key themes from the public consultation:

#### Impact – 115 comments

- The majority of respondents expressed concerns about the impact this proposal would have on vulnerable and older people in the county. Some noted that with an ever-increasing older population, more people will not be able to afford this cost.
- Some respondents felt that if this proposal was implemented it may have a negative impact on individuals who have worked hard and saved to afford residential care. Some suggested that this is punishing those who have planned for later life.
- A few respondents were concerned that this would increase pressure on lower income families.

#### Mitigation – 65 comments

- The majority of comments suggested that this charge should be means tested and not the proposed blanket cost.
- Most respondents suggested reducing the cost annually or changing the proposal to a 'one-off' payment.
- A lot of respondents who left a comment disagreed with the proposal.

### Councillor Engagement:

- N/A

### Equality Impact Assessment summary:

#### Description of impact:

Older people are likely to fall into this charging area.

#### Affected groups:

Older people

#### Mitigation:

N/A

Assessment undertaken: R Page 7/2/2020

## 8. Closure toilet facilities

**Total Budget:** £559,000

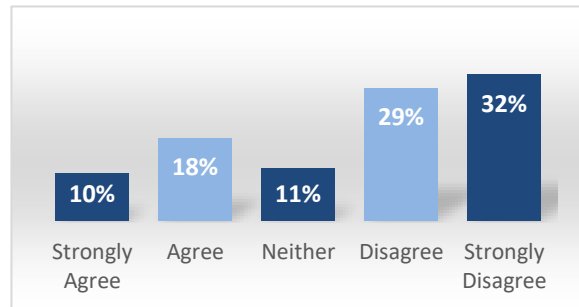
**3-Year Saving:** £100,000

2020 - 21	2021 - 22	2022- 23
0	75	25

**Description:** £75k is for closure of 3 units; St Clears, Town Hall (Llanelli) and Ammanford. Llanelli Bus Station site is a 4th option @£25k on the basis that these are the least used out of the 9 super-loos.

**Increase in Council Tax if not adopted:** 0.11% (£1.35 a year)

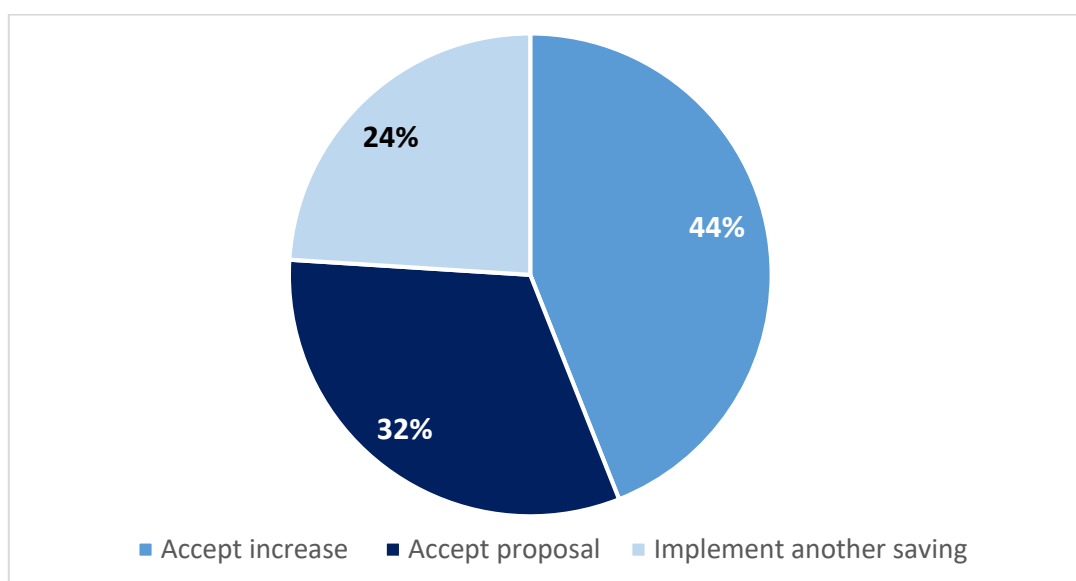
**Average Index Score:** -0.54  
**Overall Rank (of 14):** 13  
**Sample Size:** 839



	Single	BME	16-24	25-64	65+	F	M	CA1 <sup>9</sup>	CA3 <sup>8</sup>	CA6 <sup>8</sup>
AIS	-0.58	-0.50	0.25	-0.43	-0.81	-0.60	-0.46	-0.59	-0.62	-0.37
Sample	184	10	4	577	216	440	343	255	219	93

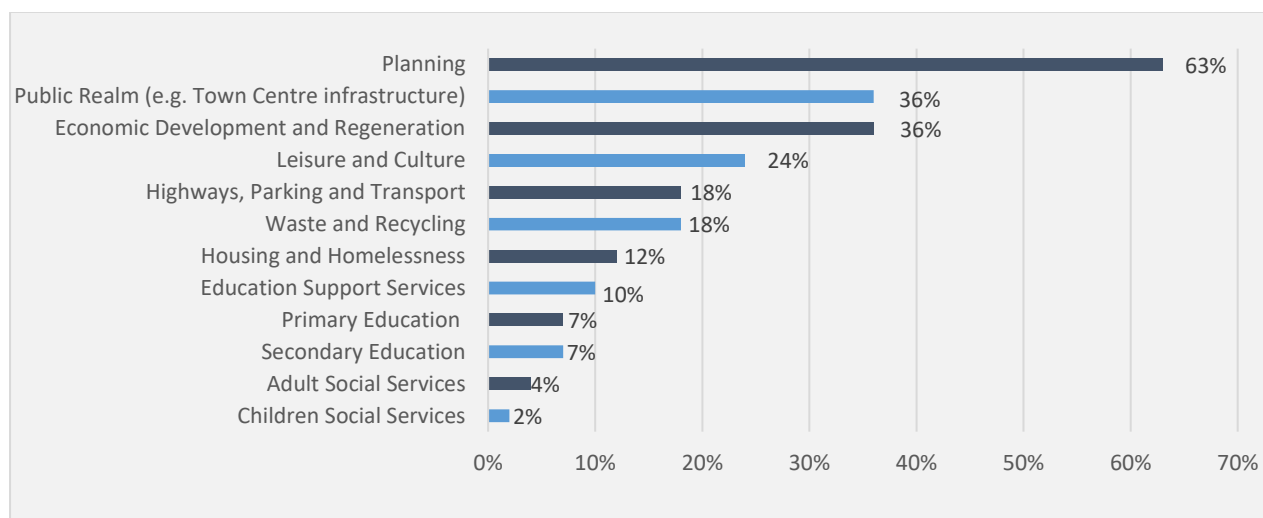
	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	-0.61	-0.60	-0.31	-0.61	-0.58	-0.70	-0.20
Sample	107	315	32	137	197	260	208

Response to accepting a 0.11% increase in the Council Tax in order to avoid efficiency saving.



<sup>9</sup> Community Area 1 is inclusive of St Clears; Community Area 3 is inclusive of Ammanford and Community Area 6 covers the Llanelli town centre and its immediate localities

Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 177 responses received).



### Key themes from the public consultation:

#### Impact – 341 comments

- Majority of individuals specified that this proposal would have a substantial adverse effect on older people, individuals with disabilities and conditions, female population and families with young children. Several respondents emphasised the necessity of having public conveniences in the county as Carmarthenshire has an aging population.
- Many comments suggested that by implementing this proposal, this would have a devastating impact on footfall in town centres. Moreover, rural areas (e.g. St Clears) would be negatively impacted as there are no other alternatives.
- Some suggested that tourism would be negatively impacted by this proposal.
- Many respondents suggested that the communities would be impacted due to people finding other alternatives (e.g. street, parks, etc.)
- Many noted that it would have a negative impact on people with disabilities, conditions and the older populations' wellbeing as they will refrain from going to any areas which do not have public toilets and therefore would be isolated.

#### Mitigation – 241 comments

- Respondents suggested private businesses and local shops should be encouraged and incentivised to offer their facilities. Furthermore, toilets should be clearly signposted and published.
- Some respondents suggested that town and community councils should take a responsibility in keeping the toilets open.
- Some suggested that different payment options should be available as many people no longer carry change.
- Some comments suggested that volunteers should be recruited to ensure that toilets are maintained.
- Some respondents suggested that council owned buildings should allow the public to use facilities.

- Many disagreed with the proposal and noted that they would be willing to pay an increase charge to keep open.

### **Councillor Engagement:**

- Councillors expressed the view that most people would pay more to keep them open. Facilities should be available if there is demand. Councillors requested further information on why these sites were selected. Also need to ensure that tourist locations are catered for.
- Some members were concerned on the impact on towns and suggested that these should be under the remit of the Town and Community councils. Early consultation needed so that they can include within their precept. Concern on impact on rural regeneration.
- Some Members agreed in principle.
- Accessibility –inclusivity and wellbeing through access to facilities was referenced. Noted that older people are less likely to go out if they don't have access to toilet facilities.

<b>Equality Impact Assessment summary:</b>
<b>Description of impact:</b>
1) Facilities will no longer be available. 2) As above.
<b>Affected groups:</b>
1) Older people 2) Individuals with disabilities
<b>Mitigation:</b>
1) Promote the community toilet scheme where appropriate and signpost to existing shops/establishments that willingly make toilet facilities available to the public. 2) As above.
<b>Assessment undertaken:</b> R Davies 22/10/2019

## 9. Public conveniences - increase charge

Total Budget: £559,000

3-Year Saving: £23,000

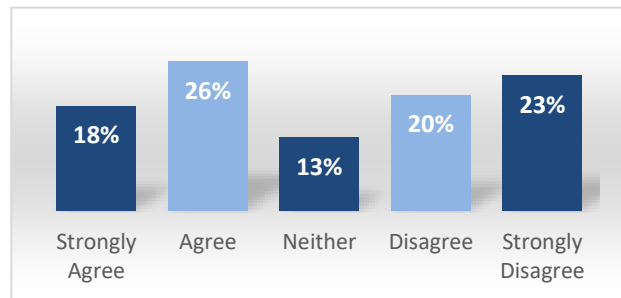
2020 - 21	2021 - 22	2022 - 23
0	23	0

### Description:

Increase charge from 20p to 40p for Super-loos.

Increase in Council Tax if not adopted: 0.02% (£0.31 a year).

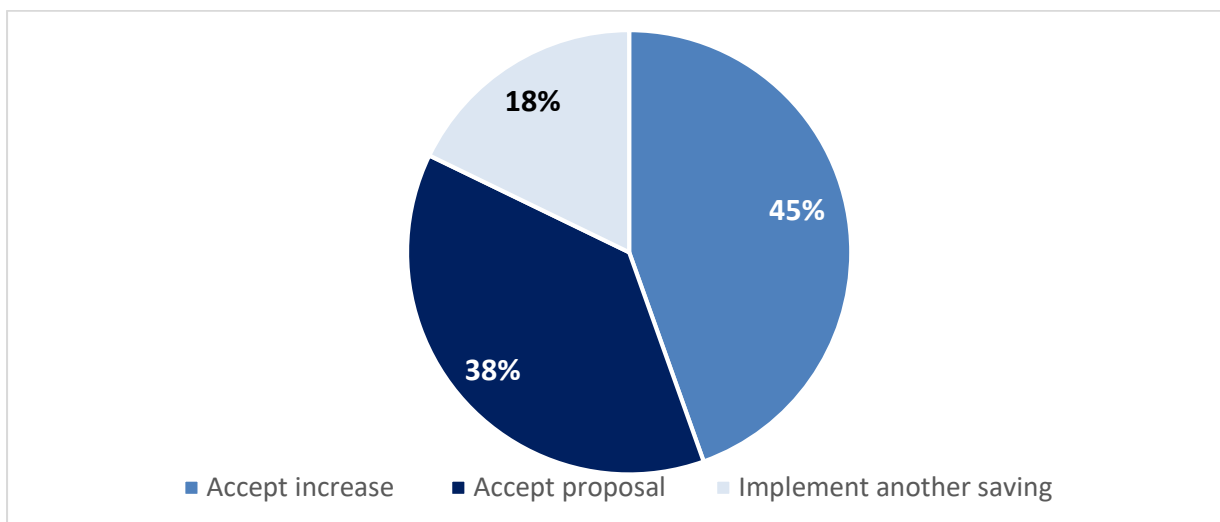
Average Index Score: -0.05  
 Overall Rank (of 14): 8  
 Sample Size: 636



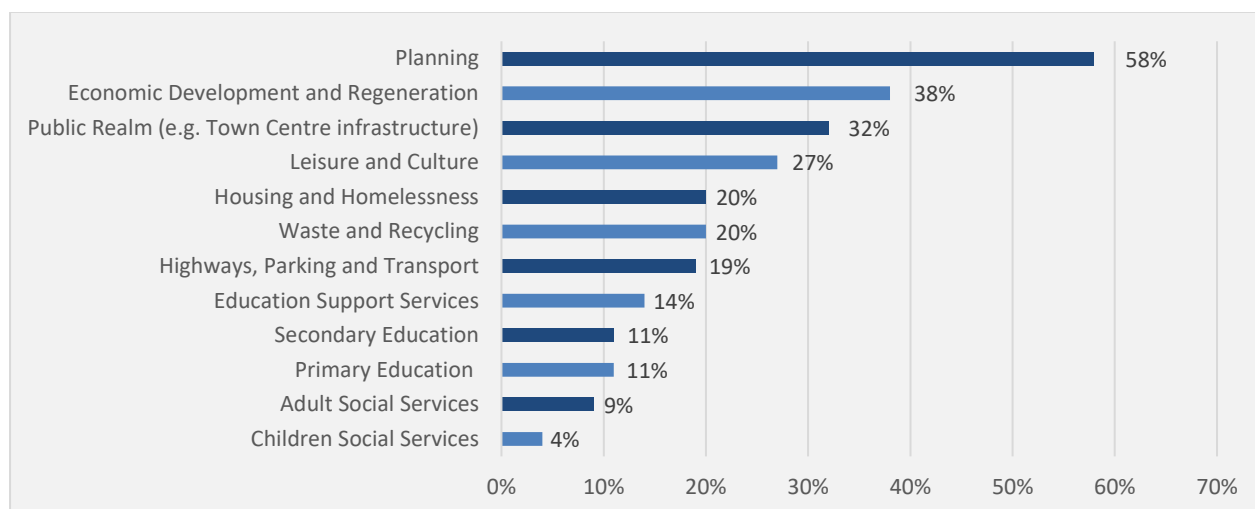
	Single	BME	16-24	25-64	65+	F	M
AIS	-0.13	-0.57	1.5	0.04	-0.32	-0.04	-0.05
Sample	140	7	4	456	145	351	246

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	-0.30	0.04	0.58	0.12	-0.17	-0.15	0.22
Sample	74	245	26	94	146	182	172

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 92 responses received).



### Key themes from the public consultation:

#### Impact – 170 comments

- Majority of respondents indicated that this proposal would have a significant negative impact on older people, individuals with disabilities and conditions, female population and low-income population. A number of respondents highlighted the need for public conveniences as Carmarthenshire has an aging population.
- A large proportion of respondents suggested that the communities and cleanliness of streets would be impacted due to people finding other alternatives (e.g. street, parks, etc.)
- Many noted that it would have a negative impact on people with disabilities, conditions and the older populations' wellbeing as they will refrain from going to any areas which do not have public toilets and therefore be isolated.

#### Mitigation – 107 comments

- Many respondents indicated that they would be willing to pay an increase for the super-loos if they are maintained to a standard. Furthermore, respondents noted that they would prefer to pay an increased cost to keep the toilets open.
- Many comments were made regarding payment method. Respondents suggested providing a wider range of payment options as it will be difficult to find loose change.
- Some respondents suggested that town and Community Council should subsidise super-loos in their area.
- Some suggested that the local authority should review how and why the running costs of the public conveniences is so high.
- Respondents suggested private businesses and local shops should be encouraged and incentivised to offer their facilities. Furthermore, toilets should be clearly signposted and published.



### Councillor Engagement:

- Noted that the Council is already losing money here as people hold the door open to the next person, so they do not have to pay.
- Early consultation and publicity is needed in this to inform the public.
- Concern that lack of or expensive public conveniences may reduce attractiveness of towns in comparison with other towns.
- Some Members noted that they did not have any real objections to the increase in charges.

### Equality Impact Assessment summary:

<b>Description of impact:</b>
1) Facilities will no longer be available. 2) As above.
<b>Affected groups:</b>
1) Older people 2) Individuals with disabilities
<b>Mitigation:</b>
1) Promote the community toilet scheme where appropriate and signpost to existing shops/establishments that willingly make toilet facilities available to the public. 2) As above.
<b>Assessment undertaken:</b> R Davies 29/10/2019

## 10. Cemetery charges increase

Total Budget: £17,000

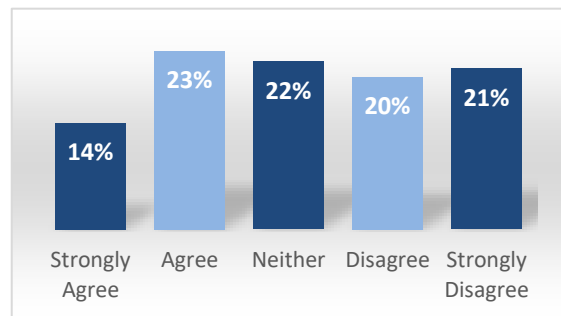
3-Year Saving: £1500

2020 - 21	2021 - 22	2022 - 23
1.5	0	0

**Description:** The Council is responsible for the administration, management, and maintenance of the operational cemetery at Dyffryn Road, Ammanford. The proposal is to raise charges for burials, memorial plaques and administrative charges by about 10 to 25%.

**Increase in Council Tax if not adopted:** 0.00% (£0.02 a year)

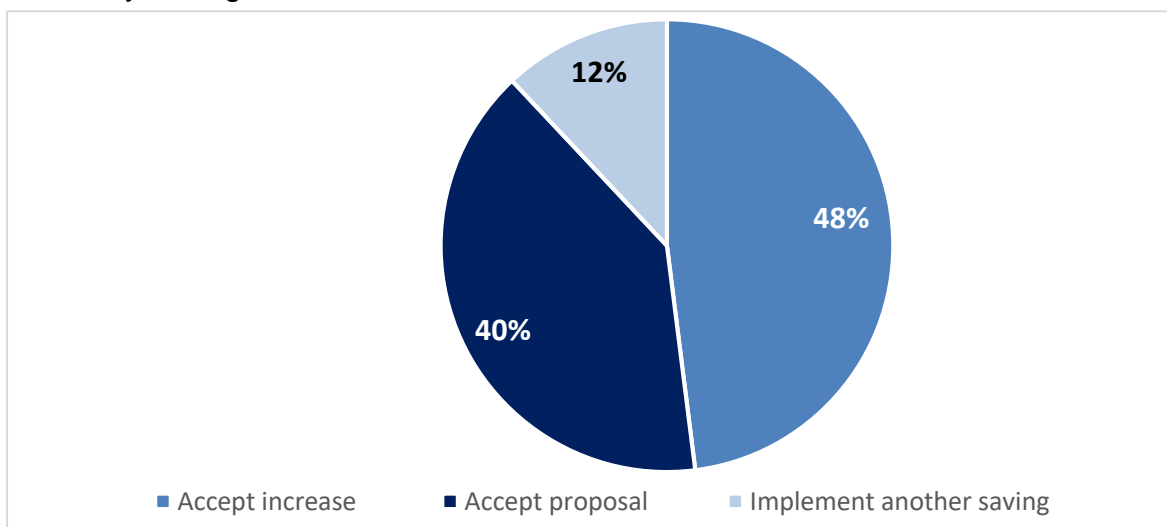
**Average Index Score:** -0.11  
**Overall Rank (of 14):** 10  
**Sample Size:** 352



	Single	BME	16-24	25-64	65+	F	M	CA3 <sup>10</sup>
AIS	-0.39	-1.50	0	-0.11	-0.11	-0.23	0.11	0.00
Sample	82	2	2	261	71	197	131	87

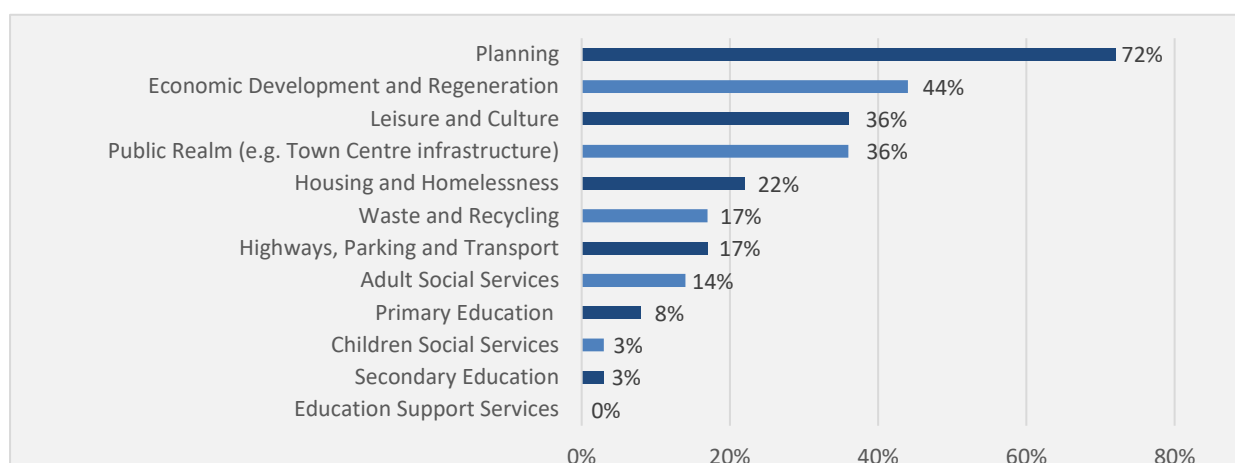
	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	-0.10	-0.08	-0.18	-0.31	-0.46	-0.13	0.14
Sample	41	142	17	51	84	99	91

Response to accepting a 0.00% increase in the Council Tax in order to avoid efficiency saving.



<sup>10</sup> Community Area 3 is inclusive of Ammanford

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 – 70 comments

- A large portion of the comments indicated that the proposal would impact those who are grieving and bereaved families. Many suggested that costs for these services are already high and that an increase would not be acceptable.
- Some noted that the minimal increase in council tax is not worth the projected 3 year saving.

#### Mitigation – 43 comments

- A number of respondents felt that the proposed increases should be kept at the lower percentage of 10%.
- Some respondents noted that the increase in council tax and projected 3 year saving is negligible and would like to keep the service.

### Councillor Engagement:

- Noted that 10 – 25% represented a large increase.
- Councillors felt it would be useful to have comparative costs with other cemeteries in the County.
- General discussion regarding why the council maintains this cemetery and not any others?

### Equality Impact Assessment summary:

#### Description of impact:

Not Applicable.

#### Affected groups:

Not Applicable

#### Mitigation:

Not Applicable

**Assessment undertaken:** D John 23/10/2019

## 11. Reduction in Age Cymru Costs

Total Budget: £363,000

3-Year Saving: £20,000

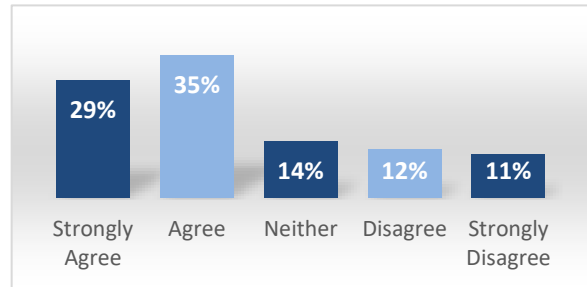
2020 - 21	2021 - 22	2022 - 23
20	0	0

### Description:

Cessation of Age Cymru support for glass collections in the community serving 57 clients. Service is very limited and expensive at £350 per client per annum.

**Increase in Council Tax if not adopted:** 0.02% (£0.27 a year)

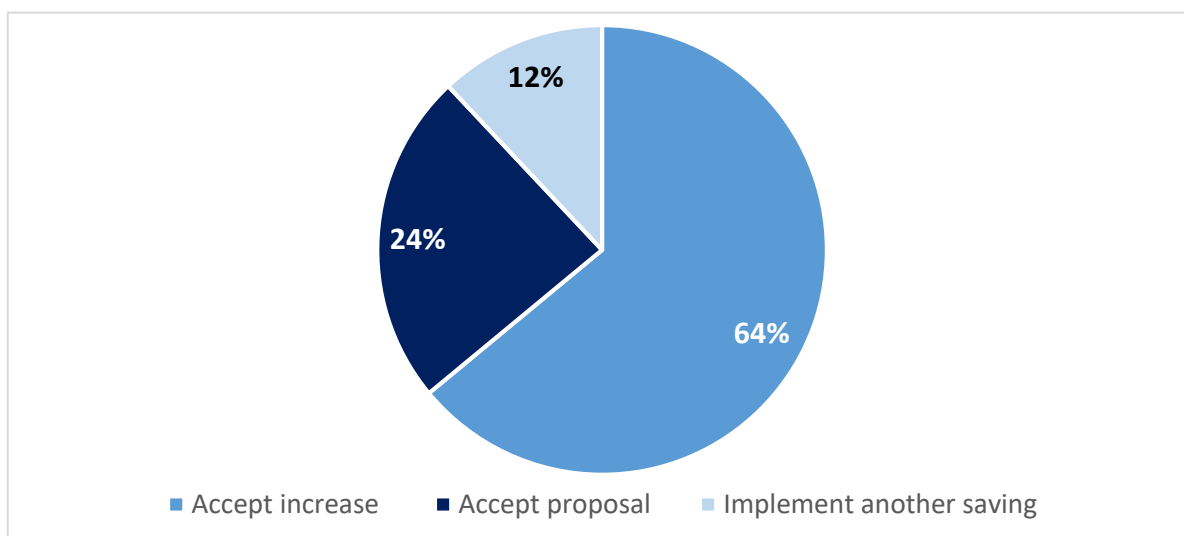
**Average Index Score:** 0.59  
**Overall Rank (of 14):** 2  
**Sample Size:** 407



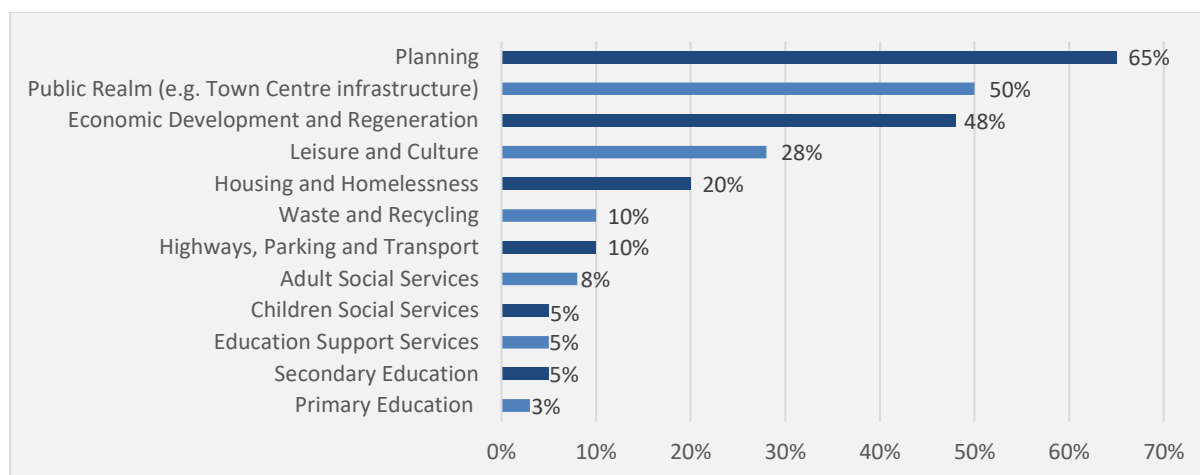
	Single	BME	16-24	25-64	65+	F	M
AIS	0.58	0.33	0.5	0.62	0.56	0.57	0.65
Sample	93	6	4	287	95	247	134

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.33	0.45	0.39	0.38	0.55	0.52	0.68
Sample	58	180	18	66	98	106	107

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 40 responses received).



**Key themes from the public consultation:**

**Impact – 102 comments**

- The majority of respondents who commented noted that this would directly affect the 57 families involved in this scheme.
- Respondents suggested that this may have an impact on the environment.

**Mitigation – 112 comments**

- The majority of respondents suggested that the council should introduce glass roadside collections as part of their refuse collection service. Many reported that this is already happening in a number of neighbouring authorities.
- Some respondents suggested that others could assist the 57 families with their glass recycling such as; neighbours, volunteers, friends, family or community.

**Councillor Engagement:**

- It was noted that considering the small number of clients that use the service, the cost per client is too expensive.
- Councillors asked whether glass would be picked up in domestic waste arrangements going forward
- Members agreed with the proposal as it appears an inefficient use of resources and based on alternative arrangements being made. Councillors asked if the community take a more proactive role in glass recycling

**Equality Impact Assessment summary:**

**Description of impact:**

The removal of this service reduces the opportunity for the elderly clients supported in undertaking glass recycling due to their inability to travel to bring sites unless aided by other support networks.

**Affected groups:**

Older people

**Mitigation:**

Not provided.

**Assessment undertaken:** A Williams 23/10/2019

## 12. Whitland Household Waste Recycling Centre (HWRC)

Total budget: £80,000

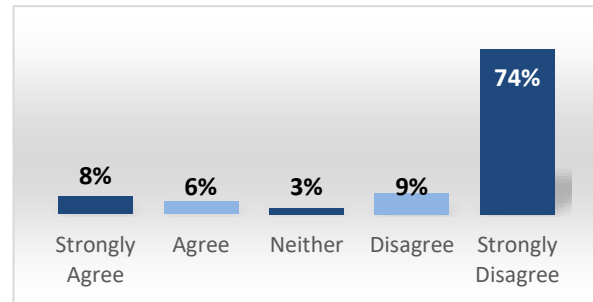
3 Year Savings: £80,000

2020 - 21	2021 - 22	2022 - 23
0	80	0

**Description:** Closure of the Whitland HWRC facility on the basis that it is the smallest of the four facilities that we have and makes the least contribution to our waste recycling targets.

**Increase in Council Tax if not adopted:** 0.09% (£1.08 a year)

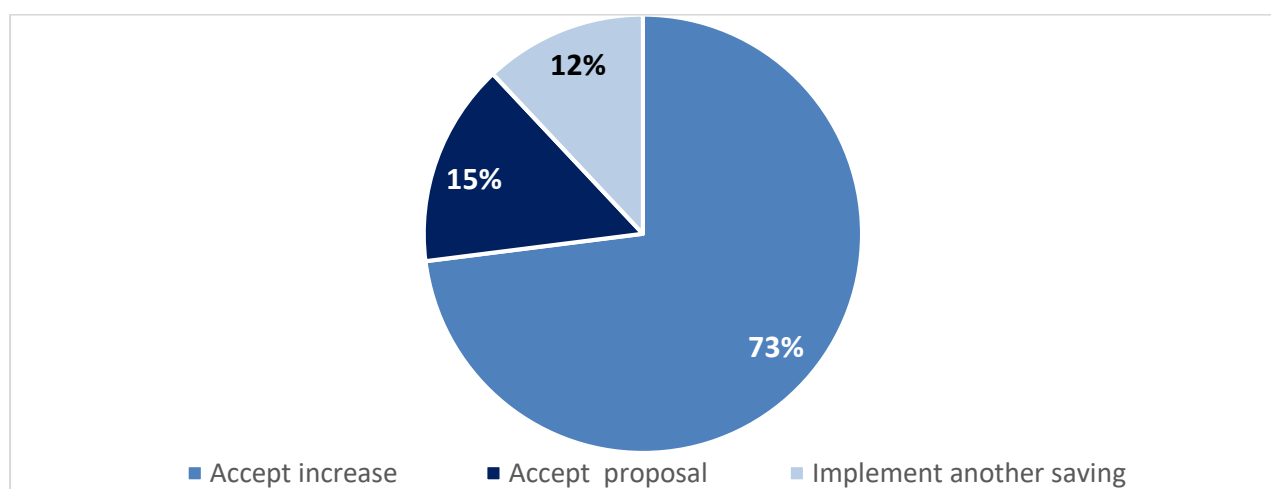
**Average index score:** -1.36  
**Overall Rank (of 14):** 14  
**Sample Size:** 784



	Single	BME	16-24	25-64	65+	F	M	CA1 <sup>11</sup>
AIS	-1.22	-0.86	-0.63	-1.27	-1.59	-1.45	-1.22	-1.63
Sample	152	7	8	562	193	411	306	461

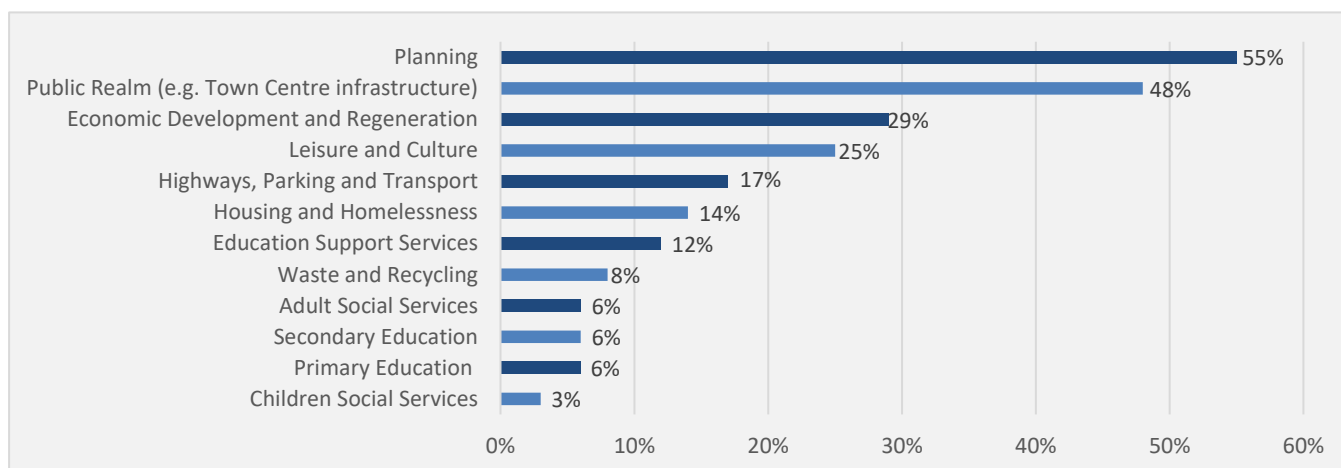
	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	-1.19	-1.31	-0.71	-1.35	-1.32	-1.39	-1.23
Sample	68	262	17	110	164	221	180

Response to accepting a 0.09% increase in the Council Tax in order to avoid efficiency saving.



<sup>11</sup> Community Area 1 is inclusive of Whitland

Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 104 responses received).



## Key themes from the public consultation:

### Impact – 566 comments

- The majority of respondents agree with the proposal to close Whitland HWRC would have a significant impact on residents living in West Carmarthenshire. Specifically, the majority of comments indicated that there would be an increase in fly-tipping as the nearest recycling centre is 20+ miles away.
- Many suggested that by implementing this proposal, the authority would have to clear waste which has been disposed of inappropriately. This would cost the local authority significantly more than the projected three-year saving.
- A large number of respondents also reported that the proposal is counterintuitive. The majority of respondents indicated that the increased travel would have significant harm to the environment.
- A number of respondents indicated that the closest recycling centre (Carmarthen) would not be able to cope with the demand. Furthermore, the traffic in this area would become unmanageable.
- Some respondents suggested that there will be a reduction in recycling as many residents in Whitland and surrounding areas would use black bags instead of disposing their household waste properly.
- A number of comments indicated that access to Nantycaws from Whitland is dangerous (i.e. having to cross dual carriage way) which may be a barrier for individuals to travel to recycle.
- Some respondents indicated that rural towns and surrounding areas would be significantly impacted by this proposal.
- Some suggested that Whitland would be impacted significantly as it will reduce the number of visitors.

### Mitigation – 438 comments

- The majority of respondents strongly disagreed with the proposal.
- Majority of respondents indicated that they would like to keep the recycling centre open but suggested that changing opening hours (e.g. open for longer hours during the weekend and less hours in the week due to work commitments) and reducing the number of days it is open may be beneficial.

- 
- A large number of respondents indicated that residence checks should be disregarded as this may be an influencing factor in its contribution.
  - A number of respondents suggested that Carmarthenshire County Council should work closely with Pembrokeshire County Council to arrange an agreement regarding the use of the facility. For example, some respondents suggested that Pembrokeshire residents could buy an annual permit to use the Whitland recycling centre.
- 

#### **Councillor Engagement:**

- Members requested more details of the proposal before making a final decision
- Members would rather there was a charge to use as people in the catchment area would rather pay a small amount than drive to Nant y Caws.
- Concern expressed that it will have the same impact as when the Llangadog site was closed. If approved, it will need effective communications and clear messages as to why the decision has been made.
- Some Members raised objections to the closure as it sends a mixed message to the public – promoting recycling but making it more difficult to recycle.

#### **Other relevant information (email and letter responses):**

In total, 11 email and letter responses were received from individuals, organisations and businesses, all expressing their opposition to the proposed closure. All representations upheld the facility as an important community asset for Whitland and its hinterlands.

Amongst the reasons conveyed were:

- Geography/Demography: the site serves a significant rural population to the west of the county, many of whom are seen to be older users. It was argued that the existing road infrastructure, in particular the A40 and Nantycaws junction, would discourage use of other facilities owing to perceived safety concerns
- Environmental impact: the proposal runs counter to local and national targets to maximise waste recycling, whilst the longer travelling distances will also increase pollution / carbon footprint. Moreover, it was argued that any savings generated would be offset by an increase in both black bag usage and fly tipping, with concern expressed for the local ecosystem
- Economic impact: it was noted that the facility supports the retail environment of Whitland by increasing footfall. Furthermore, the Council was asked to consider the increased time and travelling costs, especially for residents that use the site on a daily/weekly basis to recycle a wide range of items, from garden waste to electrical goods
- Public perception: a majority view that implementing the proposal would send out the wrong message about the Council's commitment to climate change



## Equality Impact Assessment summary:

### **Description of impact:**

- 1) Individuals with the characteristics below are likely to be more affected by having to travel to alternative provision. Furthermore, this will have further implications on the wider population who use the refuse centre.
- 2) Individuals with physical/mobility issues will require tailored support.

### **Affected groups:**

- 1) Older people
- 2) Individuals with a disability

### **Mitigation:**

Not Applicable

**Assessment undertaken:** A Williams 23/10/19

### 13. Park keeping at Parc Howard

**Total Budget:** £1,210,000

**3-Year Saving:** £10,000

2020 - 21	2021 - 22	2022 - 23
10	0	0

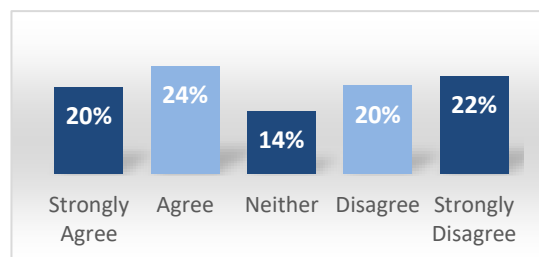
**Description:** Cease formal evening presence at Parc Howard resulting in main gate being left open at all times.

**Increase in Council Tax if not adopted:** 0.01% (£0.14 a year)

**Average index score:** 0.00

**Overall Rank (of 14):** 6

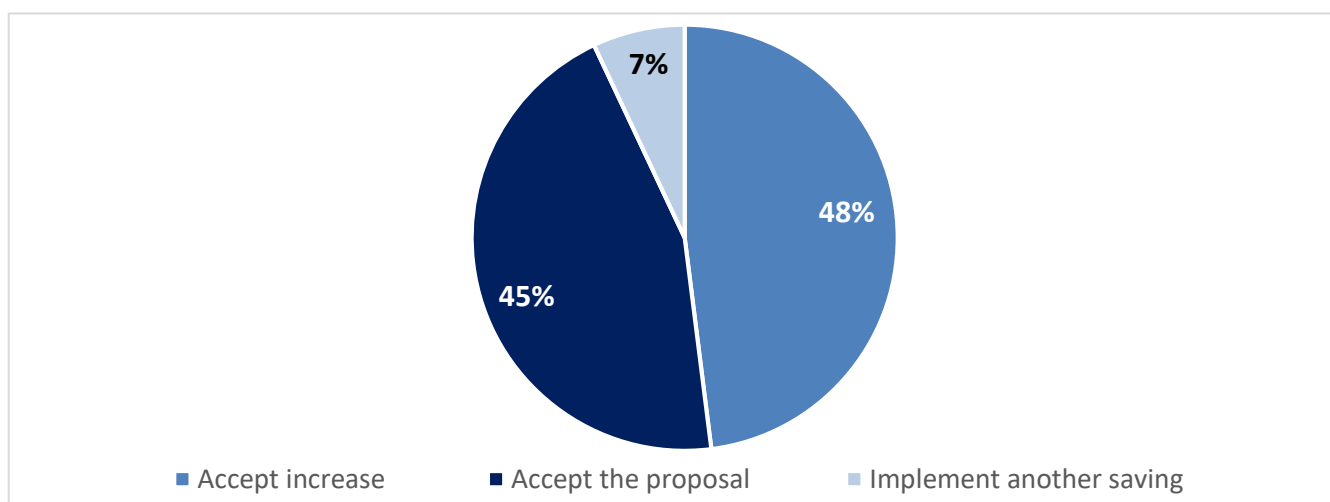
**Sample Size:** 382



	Single	BME	16-24	25-64	65+	F	M	CA6 <sup>12</sup>
AIS	0.23	-0.5	-1.33	0.03	-0.14	-0.01	0.02	-0.26
Sample	79	4	3	288	65	196	160	77

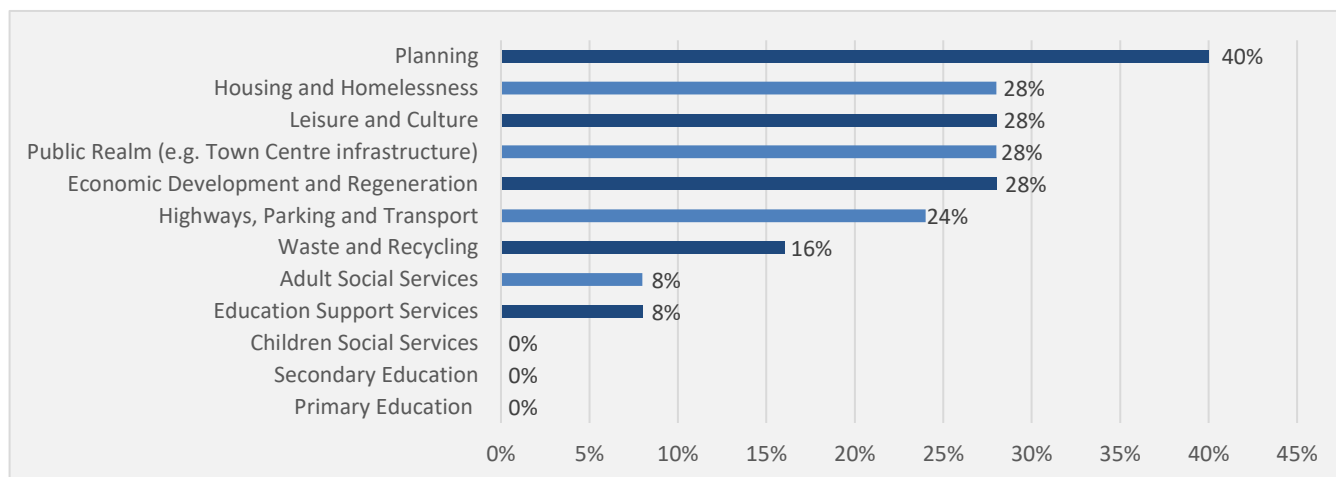
	Disabled	Religion	LGB	Carer	Income <£20k	Income £20–£39k	Income >£40k
AIS	0.19	-0.11	0.53	0.13	0.29	-0.11	0.09
Sample	43	132	17	52	65	109	122

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



<sup>12</sup> Community Area 6 covers the Llanelli town centre and its immediate localities

Responses for top **THREE** services that the public would prefer to see efficiency savings being made. (Total of 25 responses received).



### Key themes from the public consultation:

#### Impact – 105 comments

- The majority of respondents who left a comment suggested that if the proposal is implemented, there would be a rise in vandalism and crime on the grounds. Many suggested that the cleaning of vandalism would cost the council more money than the proposed £10,000 of savings.

#### Mitigation – 63 comments

- A number of suggestions were made on how to mitigate against the proposal, such as; asking local volunteers to close the gate in evenings, installing CCTV, increasing police patrols in the park and using existing staff in the museum to close the gate following their shift.

### Councillor Engagement:

- Concerns were raised that this will lead to increased anti-social behaviour and theft from the mansion as there have been previous issues with anti-social behaviour (lead being taken from roof)
- It was noted that Ammanford park is kept open and believe CCTV installed seems to work.
- Councillors were generally in agreement with the proposal.

### Equality Impact Assessment summary:

#### Description of impact:

Not applicable

#### Affected Groups:

Not applicable

#### Mitigation:

Not applicable

**Assessment undertaken:** N French 22/10/19

### 14. Commercial opportunity - Income from Japanese Knotweed treatment (net)

**Total Budget:** £3,000

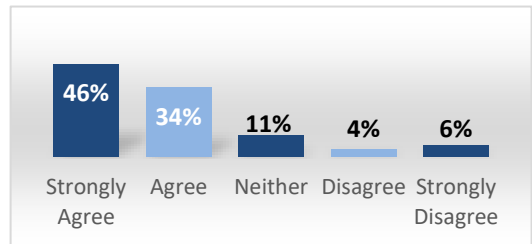
**3-Year Saving:** £10,000

2020 - 21	2021 - 22	2022 - 23
0	10	0

**Description:** Potential to treat knotweed for external clients, subject to wider corporate consideration on commercial activity that service departments can undertake.

**Increase in Council Tax if not adopted:** 0.01% (£0.14 a year)

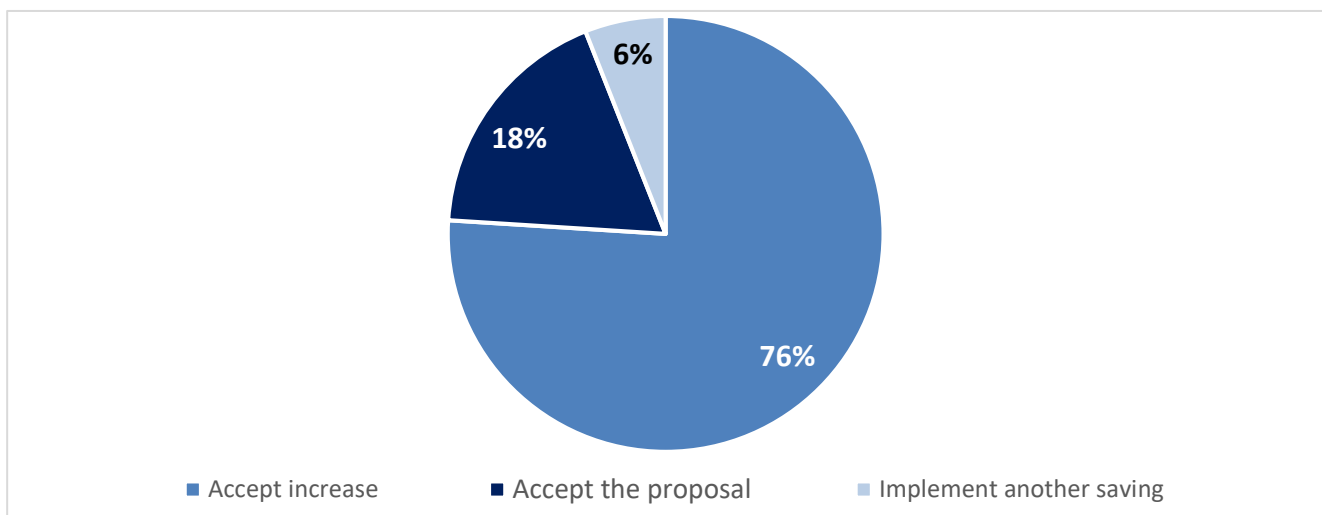
**Average index score:** 1.12  
**Overall Rank (of 14):** 1  
**Sample Size:** 421



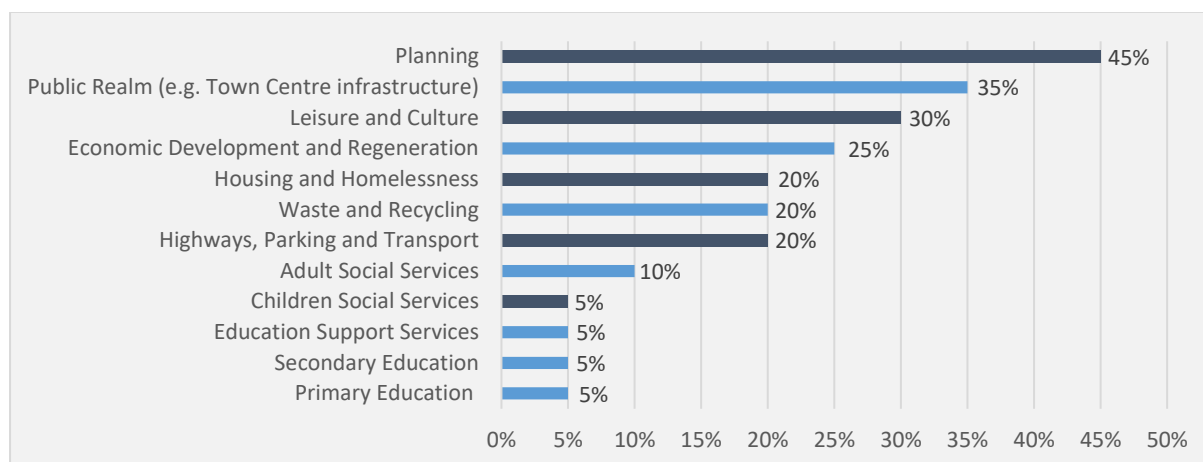
	Single	BME	16-24	25-64	65+	F	M
AIS	1.13	0	1.5	1.14	1.16	1.14	1.15
Sample	96	4	2	310	86	218	173

	Disabled	Religion	LGB	Carer	Income <£20k	Income £20-£39k	Income >£40k
AIS	0.88	1.05	1.52	0.89	1.09	1.05	1.33
Sample	48	137	21	57	96	115	117

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 20 responses received).



### Key themes from the public consultation:

#### Impact – 78 comments

- The majority of respondents noted that this is a positive move by the council however some noted that the treatment of Japanese Knotweed should be done with caution.

#### Mitigation – 33 comments

- The majority of comments reiterated the comments above. Also, some respondents felt that the public should be made aware of Japanese knotweed and appropriate ways to tackle the issue.

### Councillor Engagement:

- Councillors felt that the proposal was a good idea as people generally look to the Council to treat Japanese Knotweed
- Councillors implied that there are not enough private contractors in place to deal with the issue.

### Equality Impact Assessment summary:

#### Description of impact:

Not applicable

#### Affected groups:

Not applicable

#### Mitigation:

Not applicable

**Assessment undertaken:** D. John 23/10/2019

As the 2019 Insight session was undertaken in advance of the budget settlement, each Group was asked to consider broad 'themes' within the remit of the Council. Each of the themes discussed are presented below together with a summary of the key points raised.

### 1) How can we encourage more Welsh speakers in Carmarthenshire as part of the national campaign to get 1 million Welsh speakers by 2050?

- Increase the number of Welsh nurseries in Carmarthenshire.
- Ensure that Welsh nurseries are easily accessible for families, especially those in areas with a low population of Welsh speakers.
- The pupils of Maes y Gwendraeth felt that the language is being lost as pupils are likely to speak English to friends. Furthermore, pupils noted that there are not enough Welsh courses in higher education. Pupils noted that by hosting Welsh music gigs and sport events, this may increase the number of Welsh speakers. Also, they suggested that Welsh language societies and clubs need to be promoted in universities across the UK.

### 2) Household Waste

- Pupils of Coedcae School understood the importance of recycling and that it is a climate emergency. They suggested that the issue is that residents are unsure what can be recycled and what can't be.
- Pupils suggested that an app could aid this ensuring that all information is displayed clearly. Furthermore, students also noted that there should be a reduction in black bags and an increase in different recycling bags (i.e. plastic, paper etc.).

### 3) We are now living in an increasing digital age. What impact will this have over the next 10 years?

- Bro Dinefwr suggested a number of strategies and developments which need to be considered to continue to grow in a digital age such as;
  - Improving network speed across Carmarthenshire;
  - Ensuring both pupils and teachers know how to use technology - in an engaging way;
  - Encouraging ICT for GCSE – especially with regards to jobs;
  - Providing classes for older generations to improve their ICT skills
  - Providing better technology (faster laptops/computers) for classwork
  - Wi-Fi boosters & faster Wi-Fi – feed back into rural regeneration,
  - More awareness on safety when using technology

### 4) How can we become a NetZero Carbon County Council within the next 10 years?

- Pupils from Dyffryn Aman noted a number of barriers which may impede the Council's ambition to become NetZero Carbon Council in the next 10 years. The following barriers were identified;
  - Lack of public transport usage
  - School emissions

- Landfill sites
- Plastic usage
- A number of strategies were suggested by the students such as;
  - Plant more trees in order to Carbon offset
  - Determine efficiency management (i.e. Energy efficient air conditioning alternatives)
  - “Green” implementation (e.g. “Green Wall”)
  - Use of the Internet. For example, if individuals use the “Ecosia” as a search engine, for every search made, a tree is planted.
  - Increase communication between schools to share facilities
  - Alternative energy sources (i.e. Solar Panels, Wind Turbines, Hydro-electric)
  - Encourage public transport

**5) How do we meet the challenge of becoming a plastic free Council/County thereby helping to improve the quality of our local built and natural environment?**

- Bro Myrddin students highlighted a number of issues associated with plastic waste on the environment. Following this, students suggested that an additional charge should be made on products with single use plastic. Furthermore, students also indicated that technology should be utilised to enhance recycling.

**6) How important is it that the council supports people’s wellbeing by offering leisure and cultural service?**

- Pupils of Coedcae School understood the importance of the Council’s role in facilitating the public’s wellbeing by providing leisure and cultural services.
- Students suggested the following efficiencies in order to ensure the service is maintained whilst also saving money;
  - Invest more in outdoor activities for children
  - Open school libraries to the public
  - Increase the use of digital services in libraries to reduce the space required for books
  - Reduce staff in gyms as they are not a necessity
  - Points system should be put in place to encourage individuals to use the facilities more often
  - Bundle packs were suggested as a way to increase footfall in leisure and cultural facilities

**7) How should the Delegated Schools’ budget be used?**

- Pupils identified that there is an issue with small classroom sizes as they cost as much as larger classroom sizes.
- Pupils from Queen Elizabeth High School and Maes Y Gwendraeth suggested a number of areas where schools can make efficiencies. A list is provided below:
  - Classrooms with a low number of pupils should be combined to increase efficiency
  - Encouraging cluster school connections
  - Blended Learning

- Video call classes
- University style learning
- Giving pupils a voice and providing more responsibilities throughout KS3, KS4 and Sixth Form. This is suggested to give pupils more sense of pride for their school.
- By increasing the pupil's ownership and a sense of pride in their school, students are more likely to respect their surroundings which may reduce budget spent on cleaning.
- Increasing income generation by; Gardening, selling reusable water bottles, renting out facilities and selling recycled, cheaper ties; offering their facilities to the public

### **8) What can we do to make Carmarthenshire a major tourism cycling destination?**

- Pupils from Ysgol Dyffryn Aman highlighted a number of benefits of increasing tourism in Carmarthenshire. They also highlighted some advancements which could be made to ensure Carmarthenshire is a major tourism cycling destination which are listed below:
  - Promotions and advertisement
  - Promote school cycling activities
  - Increase number of cycling events (e.g. Charity competitions, etc.)
  - Link cycle paths to attractions - Further increasing tourism
  - Achieve safe cycling paths

### **9) How aware are you of the services the Council provides for its residents?**

- Pupils were not certain of what services the Council provides to their residents. Students were able to say for certain that the Council collects waste and provides social services.
- Glan y Môr pupils suggested a number of strategies which could be implemented to increase younger people's awareness of the services the Council provides such as;
  - Increase awareness and activity on social media such as Instagram, Facebook and Twitter.
  - Increase collaboration between schools, the Council and the Welsh Baccalaureate

### **10) Regenerating our town centres – Who's responsible?**

- Students from QE high identified a number of positive influences a vibrant town centre has on the wider community. Furthermore, a number of barriers were identified as to why town centres are deteriorating.
- Pupils suggested a number of strategies which could increase footfall to regenerate Carmarthenshire's' town centres. The strategies are outlined below:
  - Locating youth clubs in town centres to increase student footfall
  - Allowing independent business to use vacant buildings as popup stores
  - Cheaper rent for smaller businesses
  - Large TV display (e.g. Swansea) Which would attract people for sports and theatre events
  - 24-hour libraries and cafés



- Technology workshops in town centres for the elderly run by student volunteers
- Increased public transport into town centres

### 11) Do you see the Council as a career option?

- Pupils from Bro Myrddin highlighted a number of benefits for working in the local authority. However, a number of barriers were identified as to why students did not see the council as a career option. A number of barriers are highlighted below:
  - Not as many highly paid jobs in Carmarthenshire in comparison to cities.
  - Wanting experiences in different environments (i.e. university)
  - Cities are perceived to be for younger people whereas many older people retire in Carmarthenshire.
- Pupils from Ysgol y Strade suggested that the Council need to increase their visibility in schools and raise awareness of the different careers available.

### 12) Why is it important that the young people of Carmarthenshire are integral to the Rural Regeneration Strategy?

- Pupils from Bro Dinefwr School identified a number of issues associated with younger people leaving rural Wales. A number of barriers are seen below:
  - Abundance of job opportunities in urban areas.
  - Lack of knowledge about work in rural areas.
  - Higher education with better facilities and experiences.
  - Greater job prospects post-graduation.
  - Social life/Entertainment/Cultural Events.
  - Lack of transport in certain rural areas – difficult to travel without a car.
  - Healthcare access – Distance from hospitals etc.
- Pupils suggested a variety of areas which the Council could invest in to ensure younger people stay in rural Wales:
  - More jobs that allow people to work from home- work for companies based in cities whilst living in rural areas.
  - Ensure fast Wi-Fi to allow people to work from home.
  - Improved transport for people commuting to work – this could also help reduce carbon footprint.
  - Better advertisement for young people about job opportunities in rural areas.
  - Talks delivered to students about work in the area and the opportunities available.
  - Contracts to ensure people return to Carmarthenshire – e.g. if part of your degree is payed for, you must return to Carmarthenshire for a certain amount of time (e.g. 42 law firms in London offer to sponsor their trainees through a grant).
  - Create more scholarships and work experience opportunities.
- Glan y Môr pupils highlighted the specific example of Kidwelly as this town is included in the Rural Regeneration Strategy. The students highlighted that the issue in this area is that there is not enough student accommodation. By increasing the availability of student accommodation, an increased number of younger people will be attracted to the area.

## 6) NOTES FROM BUDGET CONSULTATION MEETINGS

### Schools Strategy Budget Forum – 13<sup>th</sup> January 2020

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

It is a positive budget for Education this year, and the Executive Board were very keen to support schools.

Of the £11.5 increase in the settlement £7m will address the Pension and Pay costs. An additional 2.5m will be for inflation and validation and 560k for an increase in pupil numbers which equates to 9.8m increase to the Schools' Delegated Budget.

	£'000	
Dilysu Prisiau a Chyflogau	2,593	Pay & Price Validation
Pensiynau Athrawon - blwyddyn lawn	4,443	Teachers Pensions – full year
Trosglwyddo'r grant blaenorol i gyllidebau craidd	922	Transfer previous grant into core budgets
Dyfarniad cyflog ychwanegol (2.75%)	1,279	Additional Pay award (2.75%)
Disgyblion Ychwanegol	560	Additional Pupil Numbers
<b>CYFANSWM</b>	<b>9,797</b>	<b>TOTAL</b>

Headteacher colleagues welcomed the knowledge that Elected Members are aware of the pressures that schools are under and thanked them for the consideration shown in respect of the budget.

The Council needs to find around £5.2million in efficiencies across Departments. The Education and Children Services department will need to find £860k.

Amongst the draft proposals are:

- A vacant post in School Improvement amounting to £50,000 is not to be re-filled.
- £100,000 efficiency in Youth Support Services to be achieved by using grant funding to meet core costs.
- A vacancy in the Welsh Support Teachers Division not to be re-filled- this could realise £25k.
- EOTAS- increasing charge on schools for this provision. Roughly worked out at around £300 per pupil.
- ECPS- not replacing a psychologist who has recently retired.
- Catering- efficiencies realised by introducing Parent-pay, reduction in Management costs and asking for a voluntary contribution towards the care element of the breakfast club.
- ALN- review of specialist provision and finding a way to realise £100k efficiencies.
- Children's Services to find £100,000 efficiencies.
- £200,000 efficiencies needed across departments- travelling, supplies, systems.

Elected Members were consulted on these efficiencies last week. Some were welcomed and supported.

Secondary Headteachers have also been consulted and a session for Primary Headteachers planned for January 29<sup>th</sup>.

There will also be a public consultation on these proposals which ends on 28<sup>th</sup> January 2020.

Each department were requested and encouraged to put in growth bids for extra monies. The Department submitted bids for additional funding for ALN classes (330k), ALN Staffing (400k) and additional pupils (560k).

School pupils who attended the INSIGHT Session were also asked to participate in the budget consultation and encourage fellow pupils to take part on the budget. Pupils who took part in the INSIGHT session were in County Council last Wednesday to present their findings.

Schools will have an indicative budget a little earlier this year. Possibly following the next Schools Budget Forum on 26<sup>th</sup> February.

Colleagues felt that this forum had been very useful.

### **Corporate Employee Relations Forum (CERF) Meeting 17<sup>th</sup> JANUARY 2020**

The Head of Financial Services attended the meeting to present information on the efficiency proposals for each department. RH notified that the public consultation is a shorter consultation period and is currently live and would be running until the 28<sup>th</sup> of January 2020 whereby is mitigated with the Marketing and Media Division.

ME referred to the consultation as being yet another “sham” public consultation whereby the word “cuts” has been substituted with the words efficiencies / savings e.g. the word efficiencies has been mentioned 18 times and savings 49 times within the report. ME expressed that lessons have not been learned whereby the Authority were deluding themselves through not being honest and respectful with the public and therefore that is why the TU representatives considered the consultation worthless.

ME also gave an explanation on income generation recommendations e.g. in previous years, the TUs have provided proposals and if the proposals had been implemented when first highlighted, there would now be significant increases in savings.

RH notified the TUs, that on this occasion the Authority’s approach has been to acknowledge ongoing service pressures which are beyond the control of the service and fully fund those increases in budget.

RH referred to the background of the Forward Financial Plan 2020-2023 and stated that over the last decade the Authority have met a funding shortfall within £90 million in savings and £30 million in Council Tax and an overall shortfall of £120 million.

The TU representatives, also raised the following proposals for income generation:

- Y Gât, St. Clears

ME referred to the Craft Centre and confirmed that it would not be viable in its operational format due to the lack of staff within the centre due to an Unison representative witnessing 6 people requesting breakfast but departed as soon as they were notified of having to wait a substantial length of time for their breakfast due to lack of staff.

- Ash Die Back

Due to the ash die back being a national issue and in order to proactively manage the diseased trees within the County, MP referred to an Ash Die Back Officer's post which had been previously advertised. MP felt that an opportunity had been overlooked to generate income e.g. as a result of the department not replacing employee(s) within the grounds maintenance team, they now do not have the opportunity of illustrating what the team could do i.e. taking advantage of removing the affected trees and also the treating of Japanese Knotweed where necessary.

PH stated that he previously had a meeting with the Leader of Swansea City Council and informed as a Council they were not in a position to implement cuts.

RH confirmed that the budget development process had been realistic and honest in meeting the criteria of the true pressures that departments have got to fund e.g. Communities Department.

MP stated that the proposed savings are brought back year on year and why it has not been achieved previously and were being proposed again and Managers are offering savings that are unachievable. RH referred and explained that the Corporate Standby savings related to Hydrology and as this function was now outside the Authority, the standby saving could not be met.

PH enquired if Domiciliary Care was commissioned. RH confirmed that the Communities Department had a combination of inhouse and commissioned care.

RH to provide feedback to Chris Moore regarding ME's suggestion of arranging a meeting between the Authority and a representative from APSE in order to receive the possibility of suggestions on how to generate income due to the Authority being cheaper than the private sector e.g. funeral services.

RH also referred to Thurrock Council which equates to a 1/3 the size of our Authority by revenue expenditure and that their borrowing is short term and as an example had to obtain £10 million for next year due to increase in PWLB rates.

ME informed that due to the consequences of these cuts there's massive pressure on members due to the workforce not being present any longer and would welcome a no cuts budget and expressed that ordinary members who are paying the cost e.g. Council Tax.

RH notified the TU representatives that the Outcome Agreement Grant from the Welsh Government had been transferred into the settlement around 4 years ago.

## A Summary of Unison's Budget Consultation Response:

Unison consider that the Authority should implement a "No Cuts Budget" in order to maintain services rather than passing on cuts to employees who suffer a double whammy of job losses or increased pressure in work and cuts and increased council tax as a resident of Carmarthenshire.

Unison noted that the Council should rephrase 'efficiencies' and 'savings' to cuts as this is what they are. By using such phrases Unison indicated that this is deceiving the public into agreeing to cuts.

Unison is in favour of increased income generation but that depends on what is proposed and from whom the income is generated. We are opposed to any increase to the council tax above inflation that is simply passing on the burden of cuts to the public and council employees.

Unison have opposed and campaigned against the setting up of a trust for Leisure Services or privatising these services we have always argued they could generate more income, which has proven to be the case. We have always advocated that the Local Authority could generate more income from having more in-house food outlets. Unison disagree with the conclusion that Y Gat (St Clears) is unlikely to be viable in its current operational format. They state that due to cuts in staff, Y Gât have not been putting on new promotions, workshops and marketing etc. which would lead to greater profits.

They also noted that the Communities department appears to have made good progress in raising income through Leisure services, Pembrey County Park and food outlets. On the other hand, Environmental Services have cut staff numbers to an extent that they are not in a good position to generate income.

Unison are opposed to increasing the charges for car parking, increased charges for public conveniences, increased cemetery charges, asking for voluntary £1 donations for breakfast clubs and are opposed to higher charges for sports facilities. By increasing charges to the public that is simply passing the burden of cuts onto the residents of the county.

Unison are opposed to the proposed closure of Whitland Household Waste Recycling Centre (HWRC), which they noted as the council passing on the cost of the cuts to the public as is the closure of toilet facilities. Furthermore, they also oppose to the cessation of glass collection for Age Cymru.

Unison has advocated for many years that instead of schools making a Teaching Assistant (TA) redundant when a child they are working with leaves the school that a pool of TA's could be set up and TA's redeployed at other schools. If this had been done when we first advocated it the local authority would have spent far less on redundancy payments and retaining skilled and experienced TA's many of whom were lost to the profession.

With relation to the school delegated budget, Unison noted that a standstill 2019 budget amounted to cuts as this did not meet the full costs of the schools. It was noted that many schools had reserves. The current figures for schools in deficit in the Revenue Budget Strategy confirm our prognosis that the schools are not well. Unison

noted that their members are getting fed up with making sacrifices, increased workloads, doing the work of teachers or working for nothing and the mood for fighting cuts is increasing as schools are cutting staff as this is by far their biggest cost.

As regards rationalising primary schools we would only agree this where the decision is made in the interests of the children, the wider community and staff, and where there is evidence to demonstrate that a small school is unviable. We would expect to be consulted about these decisions before they are made.

Unison is advocating a 'no cuts' alternative budget in order to 'defend remaining jobs and services. An outline of how Unison propose to achieve this is provided below:

- **General Fund Borrowing** - Unison appreciate that this proposal does not specify the items of current and projected General Fund expenditure which involve a capital element which could be properly supported by the Capital programme through prudential borrowing (without needing government permission). Or alternatively, any other elements of General Fund expenditure for which a 'capitalisation direction' (government permission to capitalise revenue expenditure) could be sought. Unison are calling for an officers' review of General Fund expenditure.
- **Assets** - The council still owns assets in land and buildings that can be sold (that are surplus to requirements) some of which have been sold or are for sale. We advocate that where selling these assets would not adversely impact on services and jobs then considerable sums could be raised by selling these assets of land and buildings contributing significantly to meeting the funding gap.
- **Reserves** – Unison suggest that there is significant scope to use these substantial funds the council holds – these reserves could be transferred to revenue again significantly contributing towards the shortfall of £16m for three years or £6m for 2020/21.
- **CWM Environmental** - CWM Environmental Ltd. should be immediately taken back in-house not the half-way house of making Cwm a Teckal company. Profits or part thereof that CWM has accrued could be taken to mitigate against some of the cuts.
- **Outcome Agreement Grant from Welsh Government** - The Local Authority gets significant sums annually for hitting Welsh Government targets the amount that has been accumulated this money could be put into revenue spending to support and protect services.
- **Income Generation** – Unison noted that while the amount the council can generate will not prevent all cuts nevertheless substantial sums with effort can be raised that would ameliorate against some cuts.



The Committee considered the Revenue Budget Strategy 2020/21 to 2022/23 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on 6<sup>th</sup> January 2020. The report provided Members with the current view of the Revenue Budget for 2020/2021 together with indicative figures for the 2021/2022 and 2022/2023 financial years. The report was based on officers' projections of spending need and took into account the provisional settlement issued by Welsh Government on 16th December 2019.

The Head of Financial Services advised whilst the announced provisional settlement represented an increase of 4.3% as an average across Wales on the 19/20 settlement, Carmarthenshire had received an increase in WG grant of 4.4% (£11.5m) taking the Aggregate External Finance to £274.159m for 2020/21. This increase was after certain transfers into the funding for Teachers Pensions and Pay, which were only partially funded within the settlement and accounted for some £5.8m of the overall funding increase.

The Committee noted that the current projection for the Revenue Outturn for 2019/20 and that the main reasons for the Environmental Department overspends were primarily due to an increase in ALN pupil transport numbers and a shortfall in planning application income.

The report included details of the Welsh Government Service Specific Grants which were provided alongside the provisional settlement at an all Wales level. Whilst many remained at a broadly similar level, the Committee noted the all-Wales reduction of £1.8m to the Sustainable Waste Management Grant, which would reduce the support for Carmarthenshire's core waste budgets by around £110k.

In summary, the budget proposals assume the full delivery of all savings proposals, together with the identification and delivery of the shortfall in savings proposals 2021/22, and 2022/23. Further cost reductions would need to be identified and/or larger council tax increases be agreed to deliver a balanced budget for the latter two years. Furthermore, given the scale of the pressures and forecasted budget gap, Council Tax increases have been maintained at the previous MTFP levels of 4.89% in each of the three financial years which offers some mitigation to the savings proposals.

Furthermore, it was reported that due to the delay in receiving the provisional settlement, the consequential impact on Welsh Government's budget finalisation and publication had been equally delayed. Therefore, the final settlement was due to be published on 25<sup>th</sup> February 2020 and the County Council would set the final budget on 3<sup>rd</sup> March 2020.

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 monitoring report for the Environment and Public Protection 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 Appendix A(ii)-Growth Pressures. It was asked if the annual £230k spend on food waste bin liners was a necessary cost? The Head of Waste and Environmental Services explained, a recent analysis of the content of black bags observed that 25.8% of the black bag content in Carmarthenshire was made up of food waste and prior to the introduction of the liners it was observed from the monitoring of kerbside collection, that household food waste recycling participation did not exceed 50%.

Furthermore, feedback from a Household Waste and Recycling Service Consultation had identified that of the respondents who said that they did not partake in recycling their food waste, 64% said that they would be more likely to do so, if they were provided with free liners. Therefore, in order to support the transition of food waste from black bags into the food waste recycling scheme, food waste liners were introduced to all householders in Carmarthenshire in October 2019.

In terms of treatment costs, an increase in food waste would result in an approximate decrease in the overall annual treatment spend, whilst enabling the Authority with the ability to meet statutory targets thus avoiding the risk of a fine. It was therefore reported, that the annual cost of the liners was necessary as it outweighed the costs associated with the method of extracting food waste placed in black bags and the financial impact on the operational vehicles, improving the efficiency of the collection and reducing vehicle breakdowns attributed to the collection of loose food.

Members reported that since the introduction of food waste bin liners, positive feedback had been received from residents particularly in relation to hygiene and in deterring vermin.

- With reference to Appendix C - Charging Digest, concern was expressed that the income generated from providing MOT testing to the general public at a rate lower than the maximum rate set by the DVSA (Driver and Vehicle Standards Agency) was providing an unfair platform for the local private sector. It was asked, if the Authority had considered the impact of this on its competitors?

The Head of Transportation and Highways explained that whilst the maximum possible charge for Class 4 was £54.85 as set by DVSA, the price set by the Authority was deemed to be competitive for the local market with competitors also decreasing their prices. Furthermore, the Authority did not carry out any repairs on vehicles, only providing an independent MOT testing service, ensuring an objective test with unbiased results.

In response to a further query, the Head of Transportation and Highways stated that maintenance on hire/lease vehicles was charged on an hourly basis and only carried out as part of the suppliers hire/lease contract arrangements.



- Concern was expressed regarding the draft proposal to close the Household Waste Recycling Centre (HWRC) in Whitland. It was commented that the recycling centre was a much needed provision in the area with the next closest located in Nantycaws, Carmarthen. The Head of Waste and Environmental Services explained that the closure of the HWRC facility proposal was purely a financial consideration on the basis that the Whitland facility was the smallest out of the four HWRC facilities in Carmarthenshire which made the least contribution to the Councils overall waste recycling targets. The proposal was not related to the performance of the facility. It was also reported that the closure would also achieve a saving of £80k from year 2 in 2021/22.

In response to a further comment in relation to the performance targets, the Head of Waste and Environmental Services acknowledged that whilst the HWRC at Whitland had been meeting its recycling targets, it only served 7% of the County thus making the least contribution to the Councils waste recycling targets.

It was emphasised that a full consultation on this proposal would be undertaken in due course.

- Reference was made to School Crossing Patrols. Whilst it was noted in the comment that 'the school crossing patrols section has reviewed all patrols to identify where there is no requirement to provide them according to the National Safety criteria', it was asked if any surveys had been undertaken in relation to the proposal to not fill future vacancies that arise in the sites that do not require school crossing patrols? Concern was expressed that School crossing patrols were an area of safety for all ages and residents.

The Head of Transportation and Highways explained that School Crossing Patrols were provided where the National Safety Criteria required them, and that the Council funded around 50% of crossings located at other locations where the criteria had not indicated a Patrol was required. The draft proposal was to retain the Patrols where they were required but phase out patrols where there was no requirement according to the criteria. Members were assured that each site would be subject to its own review.

- The Head of Transportation and Highways, in response to a request for an update on the Road Safety Manager vacancy, stated that a Road Safety Manager was currently being recruited. Furthermore, a temporary vacancy had arisen within the Road Safety Unit which had also been advertised.
- A query was raised regarding the different pricing structure for car parks throughout the County, the Head of Transportation and Highways explained that the car parking charges applied were banded primarily on the level of activity and social demographics of the surrounding area.

**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, as detailed in Appendix C to the report be endorsed.**

The Committee considered the Revenue Budget Strategy 2020/21 to 2022/23 endorsed by the Executive Board for consultation purposes at its meeting held on the 6th January 2020. The report provided Members with the current view of the Revenue Budget for 2020/2021 together with indicative figures for the 2021/2022 and 2022/2023 financial years based on officers' projections of spending need taking into account the provisional settlement issued by Welsh Government (WG) on 16th December 2019.

The Head of Financial Services advised that whilst the announced provisional settlement represented an average increase of 4.3% across Wales on the 2019/20 settlement, Carmarthenshire's increase been 4.4% (£11.548m) taking the Aggregate External Finance to £274.159m for 2020/21. However, new responsibilities and transfers into the settlement, including Teachers Pensions and Pay which were only partially funded within the settlement, accounted for some £5.8m or half the overall funding increase.

The report included details of the Welsh Government's Service Specific Grants being provided alongside the provisional settlement at an all Wales level, with many remaining at a broadly similar level to 2018/19.

The Head of Financial Services referred to the increased spending pressures on the budget, as identified in 3.4 of the report, and advised that whilst those pressures totalled £13m, the total value for growth, based on current information was only £7.4m. A number of those pressures fell within the remit of the Community Scrutiny Committee and included decarbonisation proposals, Local Development Plan and the Ash Tree die back programme. A sum of £325k had also been built back into the programme to address the historic shortfall against budgeted forecast and actual income within the planning division.

In summary, the budget proposals assumed the full delivery of all savings proposals, together with the identification and delivery of the shortfall in savings proposals for the 2021/22, and 2022/23 financial years. Further cost reductions would need to be identified and/or larger council tax increases agreed to deliver a balanced budget for the latter two years. Furthermore, given the scale of the pressures and forecasted budget gap, proposed Council Tax increases had been maintained at the previous Medium-Term Financial Plan levels of 4.89% in each of the three financial years, which offered some mitigation to the savings proposals.

In conclusion, the Committee was advised that due to the delay in receiving the provisional settlement and the Welsh Government's final settlement not due to be published until the 25th February 2020 the County Council would set its final budget on 3rd March 2020.

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 Regeneration and Planning Services (none for the Leisure and Non HRA Services);

**Appendix B** – Budget monitoring report 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:

Reference was made to the provisional 4.4% settlement and its positive impact on the Council's cost reduction programme resulting in the level of reductions to be made over the next three years falling by £8.697m from £25,115m to £16,418m. Clarification was sought on the potential impact future reducing WG settlements could have on the programme.

The Head of Financial Services confirmed the Welsh Government had not provided any indication of future settlement figures beyond the 2020/21 financial year making it difficult to construct multi-year budgets. Over recent years local government had witnessed a relaxation of public sector pay restraint, whilst receiving better than anticipated settlements. The authority was forecasting increased budgetary pressures over future years and if those persisted, for example, increased pay settlements and increases in the living wage, it would need to revisit and adjust its cost reduction programme in response.

The Head of Financial Services in response to questions on the £10m increase in the budget strategy for education, confirmed that comprised part transfers in from the Welsh Government for pay and pensions and part from the improved settlement. He also confirmed that in relation to the existing £3m deficit in the Schools Delegated Budget, officers were working with the affected schools on addressing their deficits. In response to a question on inherent risks built into the budget strategy e.g. inflation, the Head of Financial Services confirmed the strategy reflected an inflationary rate of 2%, in line with the Bank of England Projections. However, as the largest proportion of the Council's expenditure related to staff costs as well as commission care costs, which were linked to the living wage, pay growth posed more of a risk than inflation. For example, the budget strategy published on the 30th December assumed an increase in the living wage to £8.63. However, on the 31st December, the U.K. Government announced it would increase to £8.72, an increase of .9p per hour or over £400k more than the budget estimate

Reference was made to appendix A(i) and the managerial efficiencies identified in relation to the Pendine Outdoor Education Centre, St Clears Leisure Centre and Y Gât, St Clears. Clarification was sought on the current position in relation to their potential future development arising from the Committee's recent site visits.

The Head of Leisure advised that discussions were continuing in relation to those facilities and reports thereon would be presented through the Council's political process in due course.

The Committee made reference to the council's library and museums service and to its previous site visits thereto. Views were expressed, that due to the level of re-development undertaken / proposed for the service, it would be advantageous for those visits to be repeated.

The Head of Leisure in response to a comment on the absence of a Tourist Information Centre in Llanelli advised that staff within Yr Hwb had been upskilled and could provide

tourist advice. However, he could examine the need for signposting that provision with colleagues from the Tourism Team within Regeneration.

The Economic Development Manager advised that the Council had recently entered into a new tourist Project with Ireland called 'Celtic Route', funded via an ERDF Grant, aimed at encouraging people to visit parts of the County not normally visited and a web site advertising that project had recently been launched.

Reference was made to the reduction in the Welsh Government's free swim grant and the potential impact that could have on children's health and ability to swim. A suggestion was made that the Council fund the grant reduction.

The Head of Leisure confirmed that in recent years the authority had received a reduction in the grant from the Welsh Government to participate in the free swim programme for the under 16's and over 65's. The recent reductions to that grant had resulted in the authority having to correspondingly reduce the number of public swimming times available for free swimming.

He also referred to the Committee's previous debates on the cost to primary schools in having to take children swimming as part of the current Key Stage 2 curriculum. Whereas previously, that swimming had been free, a circa £2.10 charge per pupil had now been levied with the schools also having to pay transport costs. Although the new curriculum, to be introduced in 2021, did not explicitly require schools to provide swimming lessons, any reduction in that provision would not only impact on attendance levels at the Council's swimming pools, and its pay swimming lessons.

The Committee having regard to the above referred to the £293k unallocated contingency sum within the budget strategy and expressed the view the Executive Board should consider utilising a portion of that sum to fund the estimated £150k cost to primary schools of providing swimming as part of the current KS2 curriculum.

**UNANIMOUSLY RESOLVED that:**

- 4.1 The 2020/21 – 2022/23 Revenue Budget Strategy Consultation be received.**
- 4.2 The Charging Digest for the Regeneration, Leisure, Planning and Non HRA Services, as detailed in Appendix C to the report be endorsed.**
- 4.3 The Executive Board, as part of the budgetary consultation, be recommended to fund the estimated £150k cost to primary schools of providing swimming lessons as part of the Key Stage 2 Curriculum, with the cost thereof being met from the £293k unallocated contingency within the budget strategy.**
- 4.4 The Committee undertake site visits to the Council's libraries and museums.**

**SOCIAL CARE & HEALTH SCRUTINY COMMITTEE – 22<sup>ND</sup> JANUARY 2020**

The Committee considered the Revenue Budget Strategy 2020/21 to 2022/23 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on the 6<sup>th</sup> January 2020. The report provided Members with the current view of the Revenue Budget for 2020/21 together with indicative figures for the 2022/23 financial years. The report was based on officers' projections of spending requirements taking into account the provisional settlement issued by Welsh Government on 16<sup>th</sup> December 2019.

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

- **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 monitoring report 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 announced provisional settlement represented an increase of 4.3% as an average across Wales on the 19/20 settlement, Carmarthenshire had received an increase in Welsh Government grant of 4.4% (£11.5m) taking the Aggregate External Finance to £274.159m for 2020/21. New responsibilities and transfers into the settlement included funding for Teachers Pensions and Pay, which were only partially funded within the settlement and accounted for £5.8m or 2.2% of the overall funding increase.

Details of the Welsh Government Service Specific Grants were also provided with many remaining at a similar level. The Committee was advised that the social care workforce grant had been increased from £30m to £40m across Wales (c £600K for Carmarthenshire). Further clarification was being sought to understand whether the increase could be used in full towards unavoidable service pressures.

There was a forecast variance of £3.5m overspend for the Authority with £1m overspend for the Communities Department against the budget areas of Older People, Physical Disabilities and Learning Disabilities.

The budget proposals assumed the full delivery of all savings proposals, together with the identification and delivery of the shortfall in savings proposals for the 2021/22 and 2022/23 financial years. Additional cost reduction would need to be identified and/or larger council tax increases agreed to deliver a balanced budget for the latter two years. Given the scale of the pressures and forecasted budget gap, proposed council tax increases had been maintained at the previous Medium-Term Financial Plan (MTFP) levels of 4.89% in each of the three financial years which offered some mitigation to the savings proposals.

The Head of Financial Services advised that due to delays in receiving the provisional settlement, the consequential impact on Welsh Government's budget finalisation and publication had been equally delayed. Therefore, the final settlement was due to be published on 25<sup>th</sup> February 2020 and the County Council would set the final budget on 3<sup>rd</sup> March 2020.

It was also noted that members of the Committee had recently attended budget consultation events which had provided them with an opportunity to ask questions and seek clarification on various aspects of the budget.

The following questions/issues were raised on the report:

- It was asked if the validation figure of 5% cost increase in gas and electricity was realistic.



The Committee was advised that this was an estimate based on trends and the fact the Authority was part of a national procured contract.

- Clarification was sought regarding the workforce grant and when the authority would know if the grant could be used in full.

The Head of Financial Services advised that the Authority was waiting for clarification from Welsh Government and informed the Committee that it is not uncommon to receive specific grants after the start of the financial year.

- To avoid duplication of queries it was suggested by the Committee that it would be useful to be provided with a summary of comments / feedback provided by members during the budget consultation seminars.

The Head of Financial Services advised that he would consider how this could be done for future consultations.

#### **UNANIMOUSLY RESOLVED that:**

- 4.1 The 2020/21 – 2022/23 Revenue Budget Strategy Consultation be received;**
- 4.2 The Charging Digest for the Social Care & Health Service, as detailed in Appendix C to the report, be endorsed.**

#### **EDUCATION & CHILDREN SCRUTINY COMMITTEE – 23<sup>RD</sup> JANUARY 2020**

The Head of Financial Services gave an overview of the Revenue Budget Strategy 2020/21 to 2022/23 and drew Members' attention to the main points of the Provisional Settlement detailed at 2.3 within the report and advised that the Final Settlement was not due to be published until the 25th February 2020. Members were also asked to note the updates at 2.5 in relation to Welsh Government Service Specific Grants and the impact of the Teachers Pensions Employer Contribution noted at 3.2.4.

Members raised the following matters/questions in relation to the report:

In response to a question relating to the budget monitoring for the current financial year (page 132) and the School Delegated Budget overspend, the Head of Education and Inclusion noted that there had been a series of meetings over the last few months with Primary and Secondary Schools. In relation to Primary Schools, he advised that because of the meetings Governing Bodies were more aware of the level of budget cuts required, and in some cases whether their provision was sustainable in the longer term. Additional support had been given to schools facing a significant deficit. Meetings with Secondary Schools had also been very constructive and financial plans were currently being reviewed by the Group Accountant to identify further efficiencies.

Members raised concerns regarding the funding of smaller rural schools and the disadvantages faced in relation to the funding formula and Additional Learning Needs funding. The Director of Education and Children's Services advised that there were opportunities for Governing Bodies to respond to this matter as part of the current Budget Consultation should they wish to do so. However, the reality of the current situation was that funding for all schools was tight and there wasn't enough funding available to sustain 110 schools. In relation to the formula for ALN funding, the Director advised that there were significant changes ahead in the way ALN provision would be funded and that there would be challenging times for all schools in relation to the transition.

Further to the previous point, Members noted that the term 'rationalisation' appeared several times within the report and referenced relative savings. Clarification was sought on the number of schools facing possible closure in relation to rationalisation. The Head of Access to Education advised that at present a reduction of between 15 and 20 schools was being considered with 10 proposals currently under review. To realise these efficiencies, the rationalisation would need to begin in 2020/21 for the budget saving to be realised in 2021/22.

Members referenced Education and Child Psychology and the proposed reduction in the number of Education and Child Psychologists. The Head of Education and Inclusion advised that future changes to ALN provision would transfer some of the work from this department to Inclusion Services. There was no expectation that the reduction would impact on the ongoing work of the department, and grant funding would be utilised where possible to maintain enough support.

**RESOLVED to receive the report and the Charging Digest contained within.**

## **POLICY & RESOURCES SCRUTINY COMMITTEE – 27<sup>TH</sup> JANUARY 2020**

The Committee considered the Revenue Budget Strategy 2020/21 to 2022/23 which had been endorsed by the Executive Board for consultation purposes at its meeting on 6th January 2020. The report, which provided Members with the current view of the Revenue Budget for 2020/2021 together with indicative figures for the 2021/2022 and 2022/2023 financial years, was based on officers' projections of spending requirements and took account of the provisional settlement issued by Welsh Government on 16 December 2019. It also reflected the current departmental submissions for savings proposals. The impact on departmental spending would be dependent upon the final settlement from Welsh Government and the resultant final Budget adopted by County Council.

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 2021-22 and 2022-23. Further cost reductions would need to be identified and/or larger council tax increases would need to be agreed to deliver a balanced budget for the latter two years.

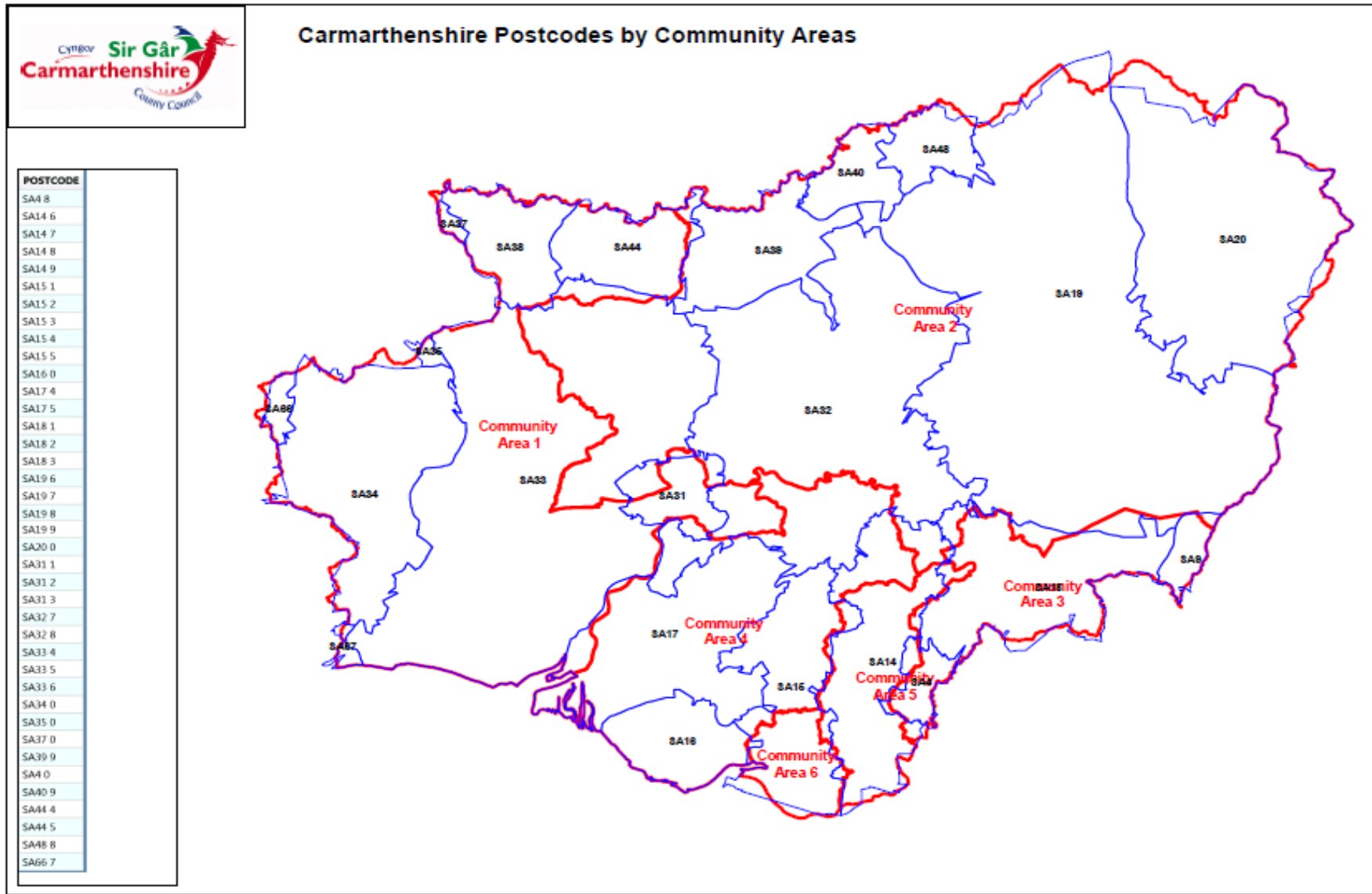
Given the scale of the pressures and forecasted budget gap, Council Tax increases had been maintained at the previous MTFP levels of 4.89% in each of the three financial years which, it was considered, provided at least some mitigation to the savings proposals which the council needed to consider.

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

- following the announcement of a new Additional Learning Needs grant of £7.2m across Wales details were awaited of the amount likely to be allocated to CCC;
- in terms of the forecasted increase in school deficit balances (£3m) the Committee was advised that individual deficit plans were being developed and agreed were being had been agreed with some schools with a view to achieving financial stability. The budget settlement for schools however was considered to be more favourable than that for Council departments.

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

8) APPENDIX 1 – MAP OF COMMUNITY AREAS





	ORIGINAL TARGETS			
	2020/21	2021/22	2022/23	Total
	£'000	£'000	£'000	£'000
Chief Executive	492	492	474	1,458
Education & Children	1,029	1,029	991	3,049
Schools Delegated	2,593	2,452	2,501	7,546
Corporate Services	205	205	197	607
Communities	2,814	2,813	2,708	8,335
Environment	1,391	1,391	1,339	4,121
	<b>8,524</b>	<b>8,382</b>	<b>8,210</b>	<b>25,116</b>

	REVISED TARGETS			
	2020/21	2021/22	2022/23	Total
	£'000	£'000	£'000	£'000
Chief Executive	492	492	432	1,416
Education & Children	860	1,029	904	2,793
Schools Delegated	-	-	-	0
Corporate Services	205	205	180	590
Communities	2,567	2,813	2,471	7,850
Environment	1,155	1,391	1,222	3,768
	<b>5,279</b>	<b>5,930</b>	<b>5,209</b>	<b>16,418</b>

Proposals																
	MANAGERIAL				EXISTING POLICY PROPOSALS				NEW POLICY PROPOSALS				TOTAL PROPOSALS			
	2020/21	2021/22	2022/23	Total	2020/21	2021/22	2022/23	Total	2020/21	2021/22	2022/23	Total	2020/21	2021/22	2022/23	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	492	451	434	1,377	0	0	0	0	0	0	0	0	492	451	434	1,377
Education	385	300	100	785	325	630	0	955	150	0	550	700	860	930	650	2,440
Schools Delegated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate Services	205	205	197	607	0	0	0	0	0	0	0	0	205	205	197	607
Communities	2,457	2,522	2,267	7,245	75	50	0	125	35	74	69	178	2,567	2,646	2,336	7,549
Environment	1,015	1,032	927	2,974	109	20	30	159	32	188	25	245	1,155	1,240	982	3,377
	<b>4,553</b>	<b>4,510</b>	<b>3,925</b>	<b>12,988</b>	<b>509</b>	<b>700</b>	<b>30</b>	<b>1,239</b>	<b>217</b>	<b>262</b>	<b>644</b>	<b>1,123</b>	<b>5,279</b>	<b>5,472</b>	<b>4,599</b>	<b>15,350</b>

	SHORTFALL - to be identified			
	2020/21	2021/22	2022/23	Total
	£'000	£'000	£'000	£'000
Chief Executive	0	41	-2	39
Education & Children	0	99	254	353
Schools Delegated	0	0	0	0
Corporate Services	0	0	-17	-17
Communities	0	167	135	302
Environment	0	151	240	391
	<b>0</b>	<b>458</b>	<b>610</b>	<b>1,068</b>

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
<b>Chief Executive Department</b>							
<b>Chief Executive</b>							
Chief Executive	253		4	4	4	12	Reduction in supplies / postages
Information Technology	3,716	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 future years are delivered through rationalising software and hardware maintenance contracts that we hold.	121	121	155	397	<p><b>2020/21</b> - 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 £100k revenue efficiencies. £21k will be delivered by reducing costs on annual maintenance agreements.</p> <p><b>2021/22</b> - £73k This will be delivered by further streamlining the software solutions used and reduction in annual maintenance costs through exploiting the Microsoft Enterprise Agreement. £27k - Further improvements work will be carried out by ICT Services on the Corporate network that should deliver increased revenue savings. £21k - further reduction in operations costs.</p> <p><b>2022/23</b> - At present this can only be delivered by reducing the size of the workforce. Advances in technology through the use of ChatBotts, Robotics Automation and Artificial Intelligence may assist here to ensure certain services can continue to be delivered whilst delivering the savings.</p>
Corporate Policy	762	Policy & Partnership team deal with Council policy (in relation to Welsh language, sustainable development, equalities and tackling poverty), consultation & engagement with elected members and public, data & information, and public service collaboration through the Local Service Board (soon to be statutory requirement) and related strategic partnerships	39	39	0	78	<p><b>2020/21</b> - £35k this will be delivered by taking a different approach to the way work is undertaken within Corporate Policy; £4k reduction in staff travelling.</p> <p><b>2021/22</b> - £20k reduction in grants; £3k reduction in postages; £16k this will be delivered by taking a different approach to the way projects are undertaken within Corporate Policy.</p>
Statutory services/Coroners	401	The Coroner is an independent Judicial Officer and discharges his duties in accordance with the Coroners Act 1988. He has a duty to investigate deaths reported to him where he has reasonable cause to suspect that the death was violent, unnatural or of unknown cause or which occurs in prison.	19	19	18	56	Reduction in staffing costs
People Management division	2,753	Includes Payroll, People Services, Organisational Development, Employee Wellbeing , HR Development Team, Business and Project Support	88	88	85	261	<p><b>2020/21</b> - £38k service review; £25k admin review; £25k review of SLAs.</p> <p><b>2021/22</b> - £40k service review / regional working; £20k income generation provision of People Management services; £28k review of training provision (part 1).</p> <p><b>2022/23</b> - £85k review of training provision (part 2)</p>
Regeneration division	2,806	Regeneration Division	118	118	113	349	<p><b>2020/21</b> - £50k increase in commercial income; £25k net effect of running costs following vacation of Nantyci Rural Development centre; £35k reduction within Economic Development activity (£15K from Community Development and External Funding budget, £10K from Rural Carmarthen, Ammanford Town Centres budget and £10k from Econ Dev Llanelli, Cross Hands , Coastal, Business infrastructure budget) ; £8k reduction in electricity within the Industrial estate.</p> <p><b>2021/22</b> - Service review.</p> <p><b>2022/23</b> - Continuous review of service / income generation / regional working</p>
Marketing & Media	1,921	Newly formed business unit comprising of translation, marketing and tourism, contact centres, customer services, press and communications.	62	62	59	183	<p><b>2020/21</b> - £30k Customer Services realignment; £20k reduction in external services; £12k reduction in spend on tourism promotion</p> <p><b>2021/22</b> - relocation of Tourist Information Centre from Castle House. Reduction in supplies &amp; services.</p> <p><b>2022/23</b> - Continuous review of service / income generation / partnership working</p>
Legal and Administration	1,383	The function of Legal Services is to provide a comprehensive legal service to the Council, including advocacy and representation in Courts and Tribunals and Inquiries in the course of civil and criminal proceedings and provision of advice at Committee Meetings. The Service also prepares legal documentation and gives legal advice across the whole range of Council functions. The Head of Administration and Law is also the Council's Monitoring Officer. The Service also co-ordinates responses to the Public Services Ombudsman for Wales, in relation to complaints related to the carrying out of the Council's functions and part of the South West Wales Legal Service.	41	0	0	41	<b>2020/21</b> - Reduction of budgets following the introduction of paperless working. Review of support provision within Land charges.
<b>Chief Executive Total</b>			<b>492</b>	<b>451</b>	<b>434</b>	<b>1,377</b>	

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
<b>Education &amp; Children</b>							
<b>Director &amp; Management Team</b>							
Departmental - cross cutting	436	Casual travel budgets across the Department	50	0	0	50	Reduce all casual mileage budgets by approximately 11% through better journey planning, challenging the need for journeys, and utilising cheaper travel options including use of pool cars
Departmental - cross cutting	5,845	Budgets for supplies & services across the Department	50	0	0	50	Reduce budgets for supplies and services across the Department (e.g. training, stationery)
Departmental - cross cutting	Same as above	Cross-departmental support costs including administration, financial processing, & premises management	100	0	0	100	Root & branch review of support services across the Department in order to realise savings and increase flexibility
<b>Total Director &amp; Management team</b>			<b>200</b>	<b>0</b>	<b>0</b>	<b>200</b>	
<b>Access to Education</b>							
Catering Services	240	The management & administration of school meals income and banking. School meals clerical officers are employed in all schools to collect, record and bank school meals cash and cheques.	45	0	0	45	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 have significantly reduced the School Meal Clerical role with many schools no longer requiring the post. Schools where there are already vacancies have been prioritised. This is the 3rd year of a 3 year roll out across all schools.
Catering Services	1,581	The school meals service currently has a production kitchen (full kitchen facilities) in almost every school with a few having meals brought in from another school, where the receiving school has a dining centre arrangement.	40	100	100	240	Reduced number of school kitchens subject to the progress of school rationalisation and review the need for full kitchen facilities at school sites.
<b>Total Access to Education</b>			<b>85</b>	<b>100</b>	<b>100</b>	<b>285</b>	
<b>Education Services &amp; Inclusion</b>							
School based Early Voluntary Retirement / redundancy (funded centrally)	2,087	Schools are currently provided with budget to fund Teaching Assistants (TAs) for pupils with a statement of educational need. If the pupil moves school, the TA can be redundant as has been employed by a specific school. Development of centrally employed TA's and managed redeployment will reduce pressure on the EVR budget.	0	100	0	100	Currently Teaching Assistants are directly recruited by schools if the Local Authority decides that a child with ALN requires additional support. As these children move from the primary to secondary sector or a specialist provision the staff are no longer required and this results in a redundancy which costs the education service. The proposal is to develop a Pool of centrally employed Teaching Assistants to support ALN who would be trained and upskilled. When a child with ALN is identified the school would be provided with the teaching assistant rather than be expected to recruit their own. When the support is no longer required the TA will revert to the Pool to be allocated to another school. This should result in a reduction in redundancy costs.
<b>Total Education Services &amp; Inclusion</b>			<b>0</b>	<b>100</b>	<b>0</b>	<b>100</b>	
<b>Children's Services</b>							
Children's Services	16,994	Children's Services encompasses the Social worker teams, fostering, Adoption, Early years, family support services and specialist care provision	100	100	0	200	Continual review of services, maximising grant opportunities and managing vacant posts without putting the service at risk of not meeting its statutory function
<b>Total Children's Services</b>			<b>100</b>	<b>100</b>	<b>0</b>	<b>200</b>	
<b>Education &amp; Children Total</b>			<b>385</b>	<b>300</b>	<b>100</b>	<b>785</b>	
<b>Corporate Services</b>							
<b>Financial Services</b>							
Accountancy	1,291	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)	105	99	97	301	2020-21 - additional income from receivership work £20k, £15K reduction in subscriptions; restructuring £70k; 2021-22 Receiverships £30k; Restructuring £69k 2022-23 increase in SLAs £50k; Restructuring £47k
<b>Total Financial Services</b>			<b>105</b>	<b>99</b>	<b>97</b>	<b>301</b>	



Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
<b>Revenues &amp; Financial Compliance</b>							
Audit & Risk	1,353	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	20	50	70	Income generation from work undertaken on behalf of external organisations
Revenues & Benefits	Various cost centres within Division	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	50	86	0	136	2019-20 Realignment of Management Structure £54k; 2020-21 Further evaluation and potential realignment of division following implementation of Universal Credit
Rent Allowances recovered		Expenditure, which is subsidised by the Department for Work & Pensions, in respect of reductions in rent, granted to council and private tenants (i.e. tenants of private landlords and Registered Social Landlords) that are on low income	50	0	50	100	Increase income target to reflect the high efficiency of overpayment recovery
<b>Total, Revenues and Financial Compliance</b>			<b>100</b>	<b>106</b>	<b>100</b>	<b>306</b>	

**Corporate Services Total****205      205      197      607****Communities****Leisure**

Pembrey Country Park	-118	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, 550 acres of idyllic woodlands, a 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.	15	40	38	92	Increased Income (parking/campsite/café /ski)
Pendine Outdoor Education Centre	168	Pendine Outdoor Education Centre caters for up to 120 residential visitors at any given time, with a particular focus on primary school provision for Carmarthenshire schools. The experience is often the first opportunity for some young children to experience being away from home on a residential basis.	9	9	8	25	Increased income from Pendine Outdoor Education Centre (summer lettings)
Public Rights of Way	455	Carmarthenshire has the 4th largest Public Rights of Way (PRoW) network in Wales. Maintaining and improving the network brings significant tourism value to the County. It is a statutory duty to keep the definitive plan for the County updated and to ensure PRoW are open, accessible, and signposted.	7	7	7	21	Reduction in expenditure - Public Rights of Way
Sports - all	611	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandovery, St Clears and Newcastle Emlyn. A variety of activities take place at 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 the past 12 months.	25	19	29	73	Increased income (more activity)
Llanelli Leisure Centre	235	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandovery, St Clears and Newcastle Emlyn. A variety of activities take place at 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 the past 12 months.	0	0	50	50	New Llanelli Leisure Centre improved trading position
Llanelli Leisure Centre	235	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	0	0	6	Energy Efficiency saving from previously implemented project
Carmarthen Leisure Centre	-53	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandovery, St Clears and Newcastle Emlyn. A variety of activities take place at 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 the past 12 months.	8	0	0	8	Carmarthen Energy Efficiency saving from previously implemented project

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
St Clears Leisure Centre	102	Salix funding has been secured to invest in more energy efficient lighting at our leisure centres	0	4	0	4	St Clears Energy Efficiency saving from previously implemented project
Llandovery Swimming Pool	113	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	0	2	0	2	Llandovery Pool Energy Efficiency saving from previously implemented project
Amman Valley leisure Centre	35	Salix funding has been secured to invest in more energy efficient lighting at our leisure centres	7	0	0	7	Amman Valley Energy Efficiency saving from previously implemented project
Theatres	427	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.	0	0	5	5	Building Energy savings
Theatres	427	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 the past 12 months 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	0	13	10	23	Increased income - Theatres
Libraries	2,379	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. Carmarthenshire is the 4 <sup>th</sup> busiest Library service in Britain. There have been over 600,00 issues of books per year. Our new mobile service provides outreach services to rural parts of the County, linking up with various partners to deliver public information services online.	12	5	0	17	Procurement and cost efficiencies relating to stock and general operational costs
Museums	448	The Museums Service is made up of the County Museum at Abergwili, Parc Howard, The Museum of Speed, and Kidwelly Industrial Museum.	50	0	0	50	Review of management structure
Arts	68	Arts venues include Oriol Myrddin Art Gallery in Carmarthen, Y Gat in St. Clears and the Dylan Thomas Boathouse, Laugharne	0	10	10	20	Arts Development general savings around operational costs
Dylan Thomas Boat House	46	Arts venues include Oriol Myrddin Art Gallery in Carmarthen, Y Gat in St. Clears and the Dylan Thomas Boathouse, Laugharne	2	2	2	6	Increasing income with additional marketing
<b>Total Leisure</b>			<b>140</b>	<b>110</b>	<b>159</b>	<b>409</b>	

**Integrated Services**

Domiciliary Care - double handed calls	12,274	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 September 2019 there were 1,085 clients receiving a Domiciliary Service.	214	107	107	429	To reduce double handed domiciliary care packages to 18% by the end of 2021-22 from 25.4% in 2018-2019.
Domiciliary Care - Reablement	1,650	The Reablement Service provides short term domiciliary care. The number of clients who received Reablement in 2018-2019 was 650 and 44% leave the service with no long term care package.	0	70	70	139	To increase the percentage of clients exiting the Reablement Service with no long term care package from 44% to 55% by the end of 2021-22
Domiciliary Care - Community Independence Service	12,274	The pilot of the Bridging Service in Llanelli Community Resource Team realised savings of £860 per week for 27 service users over a period of 12 weeks	233	117	117	467	To extend the Bridging Service across the 3 Community Resource Teams: 75 service users per quarter would receive this service
Domiciliary Care - 4 calls a day	12,274	The number of clients receiving domiciliary care is 1,085 of which 169 receive 4 calls a day or more - this is 16% (of these 121 are double handed).	11	11	11	34	To reduce the number of clients receiving 4 or more calls a day by 11 per year - approx 1% per year

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Domiciliary Care - Fulfilled Lives	12,274	The pilot of the Fulfilled Lives service for people living with dementia has shown that the service prevents escalation of care by maintaining individuals' independence for longer. Typically with traditional domiciliary care an increase of 3-4 hours would be expected over a 12 month period. On average, service users receive 6.5 hours per week. at Stages 1&2 compared to Domiciliary care average of 7.5 hours per week. for all clients (not only people with dementia, who are more likely to escalate quickly to around 10.5 hours) The service also saves on visit costs by avoiding a dependency on frequent calls. FL service is 3 - 7 visits per week, whereas Dom Care is around an average of 16 visits per week. The plan is to roll out the service to Ammanford & Llandeilo during 2019/20 and then Carmarthen town in 2020/21. For Year 3, the next community with a large population would be Cross Hands area.	65	65	65	195	To increase number of people with dementia receiving Fulfilled Lives service from 39 (March 2019) to 115 (March 2022)
Domiciliary Care - small packages of care	12,274	There are 268 clients receiving domiciliary care packages of 7 visits per week or less. This is 24.7% of the total number of clients as at 30.9.19	78	78	78	234	To reduce the number of clients receiving domiciliary care packages of less than 5 hours a week by 125 people (50%) in line with recommendations of Prof. Bolton
Domiciliary Care - Information, Assistance & Advice	12,274	The Information, Assistance & Advice service within Llesiant Delta Wellbeing Ltd is one way that the demand for statutory services can be managed, by enabling people to help themselves. The average number of referrals per month (Aug18 to Sept 19) was 893. Currently the % of referrals which receive an IAA outcome is on average 11.3% (equating to, on average, 101 clients per month)	218	218	218	655	To increase the proportion of referrals receiving an Information, Assistance & Advice outcome to 20%, currently this equates to an additional 74 people per month). Assume this is achieved by increments of 1% from July to March in Year 1; Maintain in Year 2
CUSP	13,100	The CUSP (Carmarthenshire United Support Project) is one way that the demand for statutory services can be managed, by providing help when people need it (preventative services).	146	293	146	585	To increase the proportion of referrals receiving a preventative service through CUSP by an additional 5 people per month. Assume this is achieved by increments of 5 people from July to March in Year 1; Maintain in Year 2 This will reduce referrals to Brokerage from an average of 95 per month to 90 per month (5 fewer starters)
Domiciliary Care - Continence project	12,274	This is pilot project with Community Nursing and Physiotherapy services to work with domiciliary care service users to improve their continence and reduce the need for 3 or 4 calls per day to support them with their continence needs.	50	100	100	250	To provide specialist continence advice for identified service users to reduce the need for the existing level of domiciliary care (i.e. reduce one call per day)
<b>Total Integrated Services</b>			<b>1,017</b>	<b>1,059</b>	<b>912</b>	<b>2,988</b>	

#### Mental Health, Learning Disabilities & Safeguarding

Shared Lives	706	Shared Lives provides placements for individuals with learning Disability or Mental Health issue with families that have been approved as Shared Lives Carers .	104	182	182	468	Stepping down three individuals from residential care to a Shared Lives setting will save approx 50k to 60k per individual
College Placement	6,411	A number of young people with a Learning Disability are accommodated in residential colleges where they live and undertake learning programmes and day activities.	52	52	52	156	Provision of supported living and community options for learning/development /day opportunities as an alternative to residential college will save approx £52 k per individual
Right Sizing Supported Living	7,949	Supported living is provided for those individuals with a Learning Disability or Mental Health who need support with daily living tasks to remain in the community . Support is provided from staff in the setting which can range from a few hours to 24/7 in some circumstances Promoting independence is a key aspect of supported living	105	105	105	315	Reviewing high cost placements and decreasing levels of support to promote independence and enhance daily living skills will result in cost savings e.g. reduction of 20 individual packages x 5hrs x £20 per hour = £105k
Right Sizing Residential	6,411	People may move into a residential home because their health has deteriorated or is so severe they are unable to look after themselves without 24/7 support , they are living with families who no longer able to support them or there are not alternative accommodation options . Some homes offer short term stays ,but generally they provide long term accommodation. Approximately 200 individuals are accommodated in residential accommodation , a key objective for the service is to reduce the numbers in residential care , increase the range of alternatives and promote choice and independence for individuals.	300	400	300	1,000	Review packages of care and collaborate with commissioned services to promote independence , facilitate progression pathways and step down options whilst continuing to meet eligible need. To develop a sustainable accommodation market and to maximise collaborative funding opportunities with health partners.



Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
De-registration of Residential	6,411	Over the last year we have been working with several providers to maximise the independence of individuals in residential settings , as a result a number of residential providers are changing their settings to provide supported living which promotes independence and results in improved outcomes for those individuals.	150	180	150	480	De registering independent residential settings to supported living ,saving approximately £30k per individual per annum
Direct Payments - Remodel	1,649	If individuals have been assessed as needing social services support they have the option of asking for a Direct Payment to purchase the care and support instead of receiving the support arranged by the local council .	0	50	50	100	The service is exploring potential innovative models for Direct Payments such as citizen directed cooperatives which could result in a more cost effective use of DP.
Staffing	3,488	In line with the modernisation of services the division has been undertaking a management and staffing restructure to ensure that we have the right number and appropriate skill set to deliver the new models of service	45	45	45	135	As part of management restructure and reconfiguration of services , reduction in some management posts.
Releasing Time to care in-house DC	3,284	A number of young people in our Learning Disability service are supported by two or three ( in some circumstances) staff in relation to moving and handling activity. Currently independent providers are also commissioned to support this .	30	30	30	90	Reduction of third party payments by operating Releasing Time to Care approach within day services which trains staff to be able to maximise the use of assistive technology , subsequently reducing the number of staff required to safely undertake moving and handling of individuals . This will reduce costs in relation to this activity.
Reduce reliance on external providers of complex Respite	6,411	Respite care is provided for individuals with a Learning Disability by a number of external providers . A priority for the division is to increase the in house options for respite which will be more cost effective and provide individuals and carers with more choice and control in relation to respite options.	0	50	50	100	Reviewing models of in house respite, staffing structures and collaboration with health to increase the respite offer, thus avoiding high cost independent provision
Reduce reliance on external providers of complex Day Care	1,352	Day services are provided for individuals with a Learning Disability by a number of external providers, particularly those with the most complex needs. The vision for the in house day service is that our building based service will cater for those with the most complex needs, thus reducing the reliance on external provisions.	0	50	50	100	As part of day service provision, the buildings will provide for those with most complex needs , thus reducing the reliance on external providers for day provision for those with complex needs.
<b>Total Mental Health, Learning Disabilities &amp; Safeguarding</b>			<b>786</b>	<b>1,144</b>	<b>1,014</b>	<b>2,944</b>	

**Homes & Safer Communities**

Domiciliary Care (in-house)	5,474	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. The in-house service currently provides around 35% of the market and provides over 4,000 hours of care every week to 350 service users.	100	100	100	300	Domiciliary Care - delivering more care hours as a result of better rostering, reduction in sickness rates and ensuring vacancies are filled
Financial Investigator	-136	A financial investigation team has been set up to investigate illegal trading activity across the County, including on-line. Where illegal activity has been proved through the Court system we also implement the Proceeds of Crime legislation (POCA) that means we any profits that are made from this illegal activity are returned to a variety of statutory agencies. Any individual who has lost out can also be re-imbursed.	100	50	50	200	Additional income as a result of pro-active work carried out by our newly created Financial Investigation Unit.
Trading Standards	80	Trading Standards offers a range of services around business and consumer affairs e.g. consumer/business advice and illegal trading,	30	0	0	30	One off reduction in legal fees contingency (Trading Standards)
Divisional wide	15,701	Homes and Safer Communities provide a range of services in relation to Housing, Environmental Protection, Business and Consumer Affairs, Residential Care, Housing Options and Tenancy Support and Community Engagement.	25	0	0	25	5% reduction in travelling expenses across the Division through smarter and more agile working
Divisional wide	15,701	Homes and Safer Communities provide a range of services in relation to Housing, Environmental Protection, Business and Consumer Affairs, Residential Care, Housing Options and Tenancy Support and Community Engagement.	40	0	0	40	Not apply 2% validation across Homes & Safer Communities
OP Residential Homes(in-house)	2,745	We provide seven Council run Care Homes across the County providing 248 beds	100	0	0	100	Increased occupancy within our Care Homes and quicker turn-around of beds when they do become available
OP Residential Homes( in-house)	2,745	We provide seven Council run Care Homes across the County providing 248 beds	50	0	0	50	More efficient use of residential care home staff by reducing agency costs (net gain)
<b>Total Homes &amp; Safer Communities</b>			<b>445</b>	<b>150</b>	<b>150</b>	<b>745</b>	

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
<b>Support Services</b>							
Support Services	1,957	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	34	34	26	94	Rationalisation of staffing structure with the Business Support Unit
Support Services	1,957	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	12	6	6	24	Reduction in Supplies and Services budgets, by reducing postage and printings costs.
Support Services	0	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	23	18	0	41	Review of Transport for service users, making better use of the buses available, and increasing contracted in work
<b>Total Support</b>			<b>69</b>	<b>58</b>	<b>32</b>	<b>159</b>	
<b>Communities Total</b>			<b>2,457</b>	<b>2,522</b>	<b>2,267</b>	<b>7,245</b>	

**Environment Department**

Departmental efficiency	departmental budget		10	0	0	10	Review of staff job profiles to ensure they reflect job duties.
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**Business Support and Performance**

Business Support review	1,696	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	40	0	62	<b>2020/21 &amp; 2021/22</b> : further realignment of the Business support team - all dependant on system developments to enable more efficient processes.
<b>Total Business Support and Performance division</b>			<b>22</b>	<b>40</b>	<b>0</b>	<b>62</b>	

**Highways & Transport**

Parking Services	-1,162	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.	167	0	0	167	Increase Parking Charges - Parking charges have been frozen for five years. Maintenance costs and general costs continue to rise. It is proposed to introduce a modest price increase of 20p per charge band to sustain highways and transport services .
Parking Services	as above	-----"	100	0	0	100	Cease gritting of Car Parks - there is no statutory obligation to grit car parks. Given the constraint on resources the Authority will be unable to continue with this service. However, the Authority will continue to grit in surgery car parks
Highways - Public Lighting	1,065	The County Council provides and maintains Street Lighting to help facilitate the safe movement of goods and people. There are over 19.700 columns across the highway network with a further 800 units located on industrial estates and car parks. The street lighting network is currently being modernised via a 3 year investment plan with LED lamps replacing the previous Sodium lamps.	30	0	0	30	Remove Public Lighting Night Patrol - The upgrade of Street Lights to LED lighting reduces the risk of lamp failure. The proposals is to cease the night patrol for checking of street lamps.
Highways - operational	525	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.	70	0	0	70	Highways - Reduce Mechanical Plant Hire - Savings will be generated from improved plant utilisation and changes to the type and use of plant hired in, reducing costs for service delivery.
Highways - operational	80	-----"	0	10	0	10	Reduce light plant and tool inventory
Highways - Gulley cleansing	400	-----"	0	70	0	70	Rationalise Gulley Cleansing Operation - detailed intelligence on gulley performance has been gathered to enable the service to prioritise the cleansing frequency.
Highways - winter gritting	850	-----"	0	23	23	46	Rationalise Winter Maintenance Operation - routes will be reviewed and reduced to achieve the reduction in expenditure.
Highways - Mechanical road sweeping	254	-----"	93	93	0	186	Cease routine Mechanical Sweeping - the routine highways sweeping function will cease and only be provided on a reactive basis to cover emergency spills affecting the safety of the highway.
Highways - fallen trees	0	-----"	0	15	0	15	Recharge costs for fallen trees on highway - the proposal is to recover costs from landowners for the costs incurred in clearing trees that have fallen on the highway.
Highways - town centre management	19	-----"	0	19	0	19	Reduce Town Centre Management Budget (Minor structural works, paved areas, bollards , street furniture) - Savings delivered through reduction in proactive maintenance work by moving to reactive repairs in town centres.
Highways	365	-----"	0	0	30	30	Reduce General Maintenance Budget - subject to the financial position remaining unchanged the service will be forced to further reduce the level of general maintenance work.



Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Highways - surface dressing	800	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	300	300	600	Reduce Surface Dressing & Pre SD Patching (Offset to Capital) . The proposal is to reduce revenue spend on surface dressing and patching through offsetting revenue to capital spend, subject to a sufficient allocation of capital budget or grant.
Public Rights of Way	405	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.	0	4	0	4	Reduce PROW Vehicles by 1
Highways - stopping up orders	0	Stopping Up Order are made when sections of the existing highway become redundant. This happens for example when a road improvement is undertaken, land within the extent of the original highway limit that has become redundant is then stopped up via a legislative process and reverts to the landowner. Where there is a formal request received from a landowner to Stop Up an area of highway land, the proposal is to charge the respective landowner the associated costs for undertaking this work.	0	5	0	5	Increase charges for Stopping Up Orders
Bridge Maintenance	532	Design, construction, maintenance and management of highway bridges and culverts.	0	0	24	24	Reduce Bridge Maintenance Revenue Budget - subject to the financial position remaining unchanged the service will be forced to reduce the level of maintenance work to reduce expenditure.
Highways	261	Suite of road condition surveys - skid resistance, deflectograph and road profile.	8	0	0	8	Remove technical surveys on unclassified roads. Unclassified roads are not included in the national performance indicator. These roads will be monitored through routine inspection.
Service reconfiguration	divisional budgets		0	100	0	100	Divisional Service Reconfiguration - subject to the financial position remaining unchanged the service will be forced to reduce the level of staffing resource with the consequential impact on service.
Road Safety	178	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.	30	0	30	60	Road Safety Innovation - the service will develop income streams and sponsorship.
Public Rights of Way	405	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.	2	10	0	12	PROW Increase income from Path Orders - the service has targeted an increase in the number of Path Orders it processes to raise income.
Fleet Maintenance	-45	Provision of maintenance to the Authority's vehicle fleet in accordance with the Authority's Operators licence statutory obligations. Costs are recovered through fixed maintenance rates.	0	0	20	20	Potential additional income from fleet maintenance - the service will look to expand the amount of chargeable work through MOT station for example
<b>Total Highways &amp; Transport division</b>			<b>500</b>	<b>649</b>	<b>427</b>	<b>1,576</b>	

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
<b>Planning</b>							
Development Management	262	<ul style="list-style-type: none"> <li>The Development Management Unit manages the statutory planning application process (including pre application and also discharge of conditions and variation of conditions post approval).</li> <li>The Unit deals with between 1700 and 1900 applications on average each year (roughly 150 cases per annum per Officer).</li> <li>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.</li> </ul>	20	10	0	30	2020/21 - £20k : additional predicted income from new statutory Pre-application service. 2021/22 - £10k : additional predicted income from new statutory Pre-application service.
Minerals & Waste	128	<ul style="list-style-type: none"> <li>The Team ensure that the significant aggregate resources and waste within Carmarthenshire are provided and managed in a sustainable way.</li> <li>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.</li> <li>The Team also undertake the above functions in whole or in part for another 7 Local Authorities in South and West Wales.</li> </ul>	10	0	0	10	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	567	<ul style="list-style-type: none"> <li>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.</li> <li>These plans include: <ul style="list-style-type: none"> <li>Spatial plans – the potential for plans to span more than one (or part of) County in future years</li> <li>the Local Development Plan which was adopted for Carmarthenshire in 2014 and</li> <li>Development Briefs for specific sites and areas - a number of which have now been produced for the County.</li> </ul> </li> <li>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.</li> </ul>	3.5	0	0	3.5	General savings identified within the Forward Planning budget which are not related to the production of the LDP.
Divisional review	divisional budgets		0	35	35	70	Review of divisional management arrangements
<b>Total Planning division</b>			<b>34</b>	<b>45</b>	<b>35</b>	<b>114</b>	

**Property**

Property Maintenance	2,599	This division is responsible for the day-to-day and long term repairs & maintenance of the council's estates including schools, administrative buildings, depots etc.	56	56	54	166	Over 98% of the budget for the Property Division comprises the Revenue Maintenance Budget. Efficiencies are proposed to be met through reducing expenditure on revenue maintenance across the Council's buildings following disposal of some properties and previous capital improvements undertaken to others. We are also aiming to make savings through new procurement arrangements and seeking to in-source areas of work where it is more cost effective than using external contractors or consultants.
Divisional review	divisional budgets	-----"-----	0	50	50	100	Additional income generation based on in-house expertise available to public sector partners and other markets as appropriate.
<b>Total Property division</b>			<b>56</b>	<b>106</b>	<b>104</b>	<b>266</b>	

**Waste & Environmental Services**

Reduction Black bag waste	6,478	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.	35	35	35	105	Anticipated savings due to differential in gate fee between blue bag and black bag treatment as a result of proposed kerbside black bag restrictions.
Bring Sites	363	Bring sites are located across the County to provide recycling facilities within communities.. They currently cater for glass, paper and cans in the main.	8	0	0	8	Rationalisation of current Community Bring Sites at Llandovery
Bring sites - Operational	as above	-----"-----	0	0	66	66	Potential to reduce the number of service vehicles due to fewer Community Bring Sites being operated. This will be dependent on outcome of Waste Collection methodology review.
Waste Services - operational	2,784	The operational budget includes for the provision of resources, including vehicles and premises to effect the kerbside waste collection service.	0	0	200	200	Review of waste rounds and depot utilisation, subject to the conclusions of the kerbside collection methodology review.
Closed landfill Sites	236	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.	5	0	0	5	Reduction in general routine maintenance of closed landfill sites within statutory responsibilities.
Public Conveniences	559	Operation and maintenance of Public Conveniences	200	0	0	200	Anticipated saving on current Danfo contract for the operation and cleansing of the 9 Superloos in the County. New contract prices awaited.

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	
Cleansing	2,283	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.	55	90	0	145	Phased rationalisation of plant (sweepers) and labour (agency), dependant of outcome of cleansing review.
Bin removal on Trunk Road	as above	-----"-----	35	0	0	35	Removal of bins on the trunk road network. Savings in servicing requirements.
Grounds Maintenance	1,210	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.	8	0	0	8	Cease planting of spring bedding at Parc Howard. Potential for interest groups if they would wish to undertake the planting at their cost.
Grounds maintenance - Reduced sub-contractor work	as above	-----"-----	15	0	0	15	Reduce the reliance on sub-contractors through greater internal efficiencies.
Grounds Maintenance - Materials	as above	-----"-----	10	0	0	10	Efficiency through more economic use of materials used in undertaking maintenance activity.
Playground maintenance	as above	-----"-----	0	27	0	27	Redistribution of work internally due to reduction in playground service requirements and therefore making less use of agency resource.
Flood defence	329	Design, construction, maintenance and management of flood defence works. Investigation of causes of flooding.	0	0	5	5	Reduction in maintenance work on flood defence assets.
Coastal protection	81	Design and maintenance of Coastal Protection Schemes.	22	0	0	22	Reduction in budget to deal with blocked culverts and small scale repairs and cleaning work.
Income - charge for sustainable drainage advice.	193	In January 2019, under the requirements of the Flood and Water Management Act 2010 (Schedule 3) Carmarthenshire County Council become Sustainable Drainage Approving Bodies (SABs). The SAB will be required to review and approve applications for all development that have 'drainage implications' and adopt these systems once the SAB is satisfied that, if constructed, the drainage system is compliant with the sustainable drainage (SuDs) National Standards	0	10	0	10	There are already set charges for receiving and approving SuDS applications. However, there is an opportunity to charge for advice on SuDs at the pre-application stage and recover costs already expended in officer time in giving such information to external developers on sustainable drainage options - it is currently estimated that 30% of one officer's time is spent on this.
Environmental Enforcement	25	The Environmental Enforcement section is responsible for providing enforcement activity in relation to environmental crime. This includes matters relating to dog fouling, litter, fly tipping, waste carrier offences, domestic and business waste offences, abandoned vehicles, anti-social behaviour for example graffiti, highways offences and skips and scaffolding. Enforcement is effected by means of formal notices, fixed penalty fines and prosecutions.	0	30	0	30	Potential income generation and / or SLA agreements with neighbouring authorities
Review of staffing	divisional budget	The budgets that make up the management structure of the Waste and Environmental Services staffing structure.	0	0	55	55	Review management structure.
<b>Total Waste &amp; Environmental Services division</b>			<b>393</b>	<b>192</b>	<b>361</b>	<b>946</b>	

<b>Environment Total</b>	<b>1,015</b>	<b>1,032</b>	<b>927</b>	<b>2,974</b>
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Department Page 112	19-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2021-22 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	

**Education & Children**

School Improvement	1,262	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.	50	80	0	130	Year 1 is not replacing an Advisory Team member following recent retirement. Year 2 reduction is in School challenge advisors levels equivalent to 1 FTE on the basis that the school rationalisation programme has progressed.
Curriculum and Wellbeing- Youth Support Services	860	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.	50	0	0	50	On the assumption that the additional grant funding awarded in 2019/20 will continue, services would not be reduced in achieving this efficiency. If the grant funding is reduced, a number of smaller reductions to minimise the impact on beneficiaries will be implemented such as challenging need before filling vacant posts, reducing D of E support, less frequent provision of activities. This was deferred for 12 months last year.
Curriculum and Wellbeing- Athrawon Gwella'r Gymraeg a Dwyieithrwydd	317	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	0	0	25	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 with some part time cover. Service provision will need to adjust accordingly.
Education Otherwise than at School	1,719	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.	50	0	0	50	Under this proposal, the council will increase the partial recoupment from schools (to consider more elements of the placement e.g. officer time, administration, monitoring, progress reviews etc). Currently, the Council only recoups the pupil funding element from the pupil's main school.
Children's Services- Education and Child Psychology	587	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.	100	0	0	100	Reduce the number of Education and Child Psychologists and reconsider structure utilising grant funding where possible to maintain sufficient support.
Catering Services - primary school breakfasts	854	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	0	100	Review Breakfast club provision to distinguish between catering and care element of the service & introduce a voluntary parental contribution towards the care element (20 families paying £1 per day in 30 schools would be £114k per annum). The LA is responsible for providing a free breakfast for which supervision is required for approximately 20-30 minutes on average. However, the catering service currently provides the supervision for an extra 15-40 minutes, for which a voluntary contribution has just been introduced to help sustain this facility, which allows for earlier pupil drop off in the mornings. Parents / Guardians in receipt of Free School Meals or struggling financially need not make a voluntary contribution.

**Education & Children Total****325 130 0 455****Schools Delegated Budget**

Primary School Delegated Budget	56,252	<ul style="list-style-type: none"> <li>This is the budget delegated to every school under the Fair Funding formula.</li> <li>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.</li> </ul>	0	500	0	500	It is proposed that we review our primary schools footprint identifying schools that are disproportionately expensive to operate and finding it challenging 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 could be reduced. Rationalising the number of schools will improve the financial stability of the remaining schools and reduce demands on a range of County Council services e.g. Finance, HR, catering. Moved from year 1 to year 2 as rationalisation has not progressed to date.
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**Schools Delegated Budget Total****0 500 0 500****Communities**

Libraries	2,379	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	0	0	10	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.
Day Services	3,600	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 Road and vacate the premises at Cross Hands.	65	50	0	115	Reduction of one building in 2020/21 and 2021/22 and more efficient use of current estate in community inclusion

**Communities Total****75 50 0 125**

**Environment Department****Highways & Transport**

Highways - Eastgate Roundabout Planting	19	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	19	0	0	19	Highways Eastgate Roundabout Planting . Eastgate roundabout is planted with flowers every year. The service will explore options with outside organisations to fund the work. If this is unsuccessful, flower planting will cease.
Highways - Amenity Grass Cutting	36	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.	36	0	0	36	Highways Amenity Grass Cutting - grass cutting is undertaken for highway verges around major towns. The service will explore options with outside organisations. If this is unsuccessful the amenity grass cutting service will cease.
<b>Total Highways &amp; Transport division</b>			<b>55</b>	<b>0</b>	<b>0</b>	<b>55</b>	

**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	20	0	20	Reduce opening days of Household Waste Recycling Centres at Whitland and Wernddu- reduce from 7 to 5 days a week operation, so closed 2 days in week.
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.	0	0	30	30	Reduce opening days of Household Waste Recycling Centres at Nantycaws and Trostre - reduce from 7 to 5 days a week operation, so closed 2 days in week.
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.	54	0	0	54	The Llangadog HWRC facility closed in March 2017. Part of the original budget associated with this facility has already been offered as a saving previously. The saving identified at this stage is the balance of the budget held, taking account of the mitigating measures/additional waste amnesty events for the Llandovery area.
<b>Total Waste &amp; Environmental Services Division</b>			<b>54</b>	<b>20</b>	<b>30</b>	<b>104</b>	

**Environment Total**

**109      20      30      159**

Department	2019-20 Budget	FACT FILE	'2020-21 Proposed	'2021-22 Proposed	'2022-23 Proposed	Total	EFFICIENCY DESCRIPTION
	£'000		£'000	£'000	£'000	£'000	

**Education & Children**

Additional Learning needs	650	A review of all specialist settings and provision in light of the impending ALN Transformation and our Behaviour Services Review with the aim of upskilling school staff to deal with a range of ALN and implement our inclusion policy	100	0	0	100	Maintain the Teaching complement to work on an outreach basis so that the pupils attend their local school and benefit from the additional support which could therefore become more widespread. It is expected that the TAs could be redeployed as part of the development of the centrally coordinated SEN support pool releasing part of this specific budget area.
Curriculum and Wellbeing- Youth Support Services	860	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.	50	0	0	50	On the assumption that the additional grant funding awarded in 2019/20 will continue, services would not be reduced in achieving this efficiency. If the grant funding is reduced, a number of smaller reductions to minimise the impact on beneficiaries will be implemented such as challenging need before filling vacant posts, reducing D of E support, less frequent provision of activities. This is in addition to the £50k existing policy that was deferred from 2019/20.
Departmental - across Education Services	14,561	The majority of the Services' budgets are for the support, administration and management of the schools - School improvement, Grant support, Data, Admissions, School Meals, Music Service, ALN, safeguarding to name a few	0	0	300	300	Rationalising of Primary Schools will enable a reduced level of support to function appropriately with fewer sites. The savings would actually be managerial as service provision would not be reduced, however it is a policy decision that would enable this efficiency to be delivered

**Education & Children Total**

**150      0      300      450**

**Schools Delegated Budget**

Primary School Delegated Budget	56,252	<ul style="list-style-type: none"> <li>This is the budget delegated to every school under the Fair Funding formula.</li> <li>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.</li> </ul>	0	0	250	250	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. Rationalising the number of schools will improve the financial stability of the remaining schools.
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**Schools Delegated Budget Total**

**0      0      250      250**

**Communities**

Y Gat (St Clears)	40	Arts venues include Oriol Myrddin Art Gallery in Carmarthen, Y Gat in St. Clears and the Dylan Thomas Boathouse, Laugharne  Y Gât (formerly known as St. Clears Craft Centre) is an arts facility that also hosts the local library and an in house catering facility. The facility has an open gallery / shop area along with conference rooms facilities and studio spaces for local artists to hire.	10	35	0	45	The Council will consult on a new purpose for the site, and explore the possibility of partnership working and alternative delivery models with St Clears Town Council and other interested parties. A review undertaken has found that the facility is unlikely to be viable in its current operational format.
Sport - all	611	There are 6 Leisure Centres in Carmarthenshire. Llanelli, Carmarthen, Ammanford, Llandovery, St Clears and Newcastle Emllyn. 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 the past 12 months.	25	19	29	73	Increased income (higher charges)
Residential placements - self funding administration fee		Under the Social Services and Well Being Act, people are entitled to have their residential placement commissioned through the local authority. The local authority is entitled to make a reasonable charge for the work required to commission the placement.  To date Carmarthenshire County Council has not charged for this work although neighbouring authorities already do charge.	0	20	40	60	To make a charge of £1,000 to individuals who are self-funding their placement, per annum. The proposal would need to be approved by Council.

**Communities Total**

**35      74      69      178**

**Environment****Waste & Environmental Services**

Closure toilet facilities	559	Operation and maintenance of Public Conveniences	0	75	25	100	£75k is for closure of 3 units; St Clears, Town Hall (Llanelli) and Ammanford. Llanelli Bus Station site is a 4th option @£25k on the basis that these are the least used out of the 9 Superloos.
Public Conveniences - increase charge	as above	Operation and maintenance of Public Conveniences	0	23	0	23	Increase charge from 20p to 40p for Superloos.
Cemetery Charges increase (Ammanford)	17	CCC is responsible for the administration, management, and maintenance of the operational cemetery at Dyffryn Road, Ammanford.	2	0	0	2	Increasing charges for burials, memorial plaques and administrative charges by about 10 to 25%
Cessation of support to Age Cymru	20	Age Cymru provides a glass collection facility to all their members. Currently this is used by 57 households who might not be able to recycle their glass without this service.	20	0	0	20	Cessation of support to Age Cymru for glass collections in the community serving 57 clients. Service is very limited and expensive at £350 per client per annum. Reviewing options for glass collection for all households.
Whitland HWRC	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	80	0	80	Closure of the Whitland HWRC facility on the basis that it is the smallest of the four facilities that we have and makes the least contribution to our waste recycling targets.
Park keeping at Parc Howard	1,210	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.	10	0	0	10	Cease formal evening presence at Parc Howard resulting in main pedestrian gate being left open at all times.
Commercial opportunity - income from Japanese Knotweed Treatment (net)	3	The grounds maintenance team arranges the treatment of Japanese Knotweed with respect to its own assets and other landownership across the Council.	0	10	0	10	Potential to treat knotweed for external clients, subject to wider corporate consideration on commercial activity that service departments can undertake.
<b>Total Waste &amp; Environmental Services Division</b>			<b>32</b>	<b>188</b>	<b>25</b>	<b>245</b>	

**Environment Total**

**32      188      25      245**

## GROWTH PRESSURES

APPENDIX C

	2020/21 £'000	Description
<b>Chief Executive &amp; Regeneration</b>		
Carbon Reduction Commitment	75	New role to pursue carbon reduction measures and small feasibility budget - to progress council's goal of becoming carbon neutral
Legal - additional internal capacity	60	1 x Assistant Solicitor to increase internal capacity, due to increased demand in relation to: Education and social care; S106 & Sundry Debtors; Property
<b>TOTAL - Chief Executive &amp; Regeneration</b>	<b>135</b>	
<b>Education &amp; Childrens</b>		
ALN & Autism - additional places	300	To fund additional classes already implemented due to demand for places within Unit settings especially for children/young people with Autism.
ALN Reform	400	To implement changes in line with the ALN Wales Act
School Delegated Budgets - pupil numbers	560	To increase school budgets due to increased pupil number - based on estimate number (160 x £3,500)
<b>TOTAL - Education &amp; Childrens</b>	<b>1,260</b>	
<b>Community Services</b>		
Demographic Pressures	1,709	3.58% increase based on demographic of weighted average of current service users (age 75-84 and 85+)
National Living Wage	3,025	Increase from £8.21 to £8.72 applied to commissioned care. Rate announced 31 December. Additional £472k vs draft budget funded from SCW Grant
<b>TOTAL - Community Services</b>	<b>4,734</b>	
<b>Environment</b>		
Food Waste Collection	133	Estimated 8 Month cost increase of Absorbent Hygiene Products collection
Food Waste Bin Liners	230	Annual provision of bin liners for Food Caddys
Waste Wardens & Advisors	125	New Team to support implementation of 3 bag restriction and achievement of recycling target
Waste Treatment & Disposal	820	Increased contractually committed sum with CWM Environmental
School Transport - ALN	215	Significant growth in pupil numbers eligible for ALN school transport which has higher costs per individual pupil
Local Development Plan	101	Legislative requirement arising from review and preparation of LDP, including evidence gathering, ICT and examination costs
Ash die back	100	To proactively manage diseased trees. Ash die back is a national issue.
Core Waste Activity	110	To mitigate the reduction in Sustainable Waste Management Grant which underpins core budgets
Winter Gritting Arrangements	90	Required allocation to gritting budgets as a consequence of revised pay arrangements in relation to out of hours Winter Maintenance duties
<b>TOTAL - Environment</b>	<b>1,924</b>	
<b>TOTAL - ALL</b>	<b>8,053</b>	(of which £472,000 is met from grants)

## VALIDATION - UNDELIVERABLE SAVINGS PROPOSALS / INCOME TARGETS

Citizens Advice Bureau	28	Not able to be delivered without impacting service users
Corporate Health & Safety	290	The original savings proposal has been superceded by individual savings proposals made departments, and further delivery is not possible
Corporate Standby	49	The original proposal included standby savings relating to Hydrology. As this function is now outside the Authority, the standby saving cannot be made
School Music Service	150	Funding required to maintain current level of delivery
Planning	325	Recent years have been overspent following a national trend of a reduction in the number of large scale planning applications which attract significant fees
<b>TOTAL - Validation</b>	<b>842</b>	

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## APPENDIX D – Equality Impact Assessments

<b>Department:</b> Education & Children	<b>Completed by (lead):</b> Aneirin Thomas	<b>Date of initial assessment:</b> 20 December 2019  <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Additional Learning Needs - Department for Education & Children	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	New policy decision	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Consultative discussions with:  Director of Education and Children’s Services; DMT; Departmental Colleagues		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	2020-21 £100k  Maintain the Teaching complement to work on an outreach basis so that the pupils attend their local school and benefit from the additional support which could therefore become more widespread. It is expected that the TAs could be redeployed as part of the development of the centrally coordinated SEN support pool releasing part of this specific budget area.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

<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 (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><b>Age</b></p>	<p>L</p>	<p>This proposal applies to both secondary and primary provision</p>		<p>Centrally employed TAs will be highly skilled and be appropriately deployed across primary and secondary schools</p>
	<p><b>Disability</b></p>	<p>M</p>			<p>TAs that will be centrally employed and deployed by the authority will be provided with additional professional learning and therefore increase expertise to support individual pupils and schools.</p> <p>Centrally pooled staff will also ensure that the Local Authority will be able to deploy staff to schools at a quicker pace, this ensuring pupils' needs are met.</p>
	<p><b>Gender reassignment</b></p>	<p>N</p>			

<b>Race</b>	N			
<b>Religion/Belief</b>	N			
<b>Pregnancy and maternity</b>	N			
<b>Sexual Orientation</b>	N			
<b>Sex</b>	N			
<b>Welsh language</b>	L			The Department is fully committed to ensure that pupils who require support through the medium of Welsh will be provide a service in accordance with their linguistic needs.
<b>Any other area</b>	L – behavioural and social inclusion			TAs often provide support for pupils with specific behavioural and social needs. Increased knowledge and expertise will be built through this proposal.

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

YES

NO

As part of the CCC Budget consultation process

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

- Tailored Learning and Development opportunities for staff to improve skills and knowledge, in order to develop a specialised pool of staff and to ensure that skills are transferred and not lost

**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?**

It is expected that the TAs could be redeployed as part of the development of the centrally coordinated SEN support pool releasing part of this specific budget area. A specific programme of upskilling will be held with all members of staff to ensure consistent information and knowledge.

We are aware that this workforce is primarily a female workforce. We are also aware that members of staff tend to be locally employed within their local area and we will be looking at potential travelling costs to support deployment of staff.

We are looking to improve continuity of employment for individuals and ensure that we maintain knowledgeable staff which can then be deployed to other schools.

<p><b>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)</b></p>	<p><b>YES</b> <input type="checkbox"/></p>	<p><b>NO</b> <input checked="" type="checkbox"/></p>
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<p><b>Approved by:</b></p> <p>Head of Service</p>	<p>Aneirin Thomas</p>	<p><b>Date:</b></p> <p>31.01.2020</p>
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## Initial Equalities Impact Assessment

<b>Department:</b> Education & Children	<b>Completed by (lead):</b> Aeron Rees	<b>Date of initial assessment:</b> 16 <sup>th</sup> November 2018  <b>Revision Dates:</b> 20 <sup>th</sup> December 2019
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Department for Education & Children, Youth Support Service (YSS)	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	Existing Policy decision - £50k New Policy decision - £50k	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
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		

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

<p>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 (see guidance notes)</p>		<p><b>high (H) medium (M), low (L), no effect (N) for each.</b></p>	<p><b>Risks</b></p>	<p><b>Positive effects</b></p>	
<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Protected characteristics</b></p>	<p><b>Age</b></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 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><b>Disability</b></p>	<p>N</p>			

<b>Gender reassignment</b>	N			
<b>Race</b>	N			
<b>Religion/Belief</b>	N			
<b>Pregnancy and maternity</b>	N			
<b>Sexual Orientation</b>	N			
<b>Sex</b>	N			
<b>Welsh language</b>	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.
<b>Any other area</b>	N			

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

YES  NO

As part of the CCC Budget consultation process

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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 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:

20 December 2019



## Initial Equalities Impact Assessment Template

<b>Department:</b> Education & Children	<b>Completed by (lead):</b> Aneirin Thomas	<b>Date of initial assessment:</b> 20 December 2019  <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Department for Education & Children, all areas	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	New policy decision	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Consultative discussions with:  Director of Education and Children's Services; DMT; Departmental Colleagues		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	2020-21 £0k 2021-22 £0k 2022-23 £300k  The majority of the Services' budgets are for the support, administration and management of the schools - School improvement, Grant support, Data, Admissions.  Rationalising of Primary Schools will enable a reduced level of support to function appropriately with fewer sites. The savings would actually be managerial as service provision would not be reduced, however it is a policy decision that would enable this efficiency to be delivered
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<p><b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b></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><b>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.</b></p>	<p><b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b></p>		<p><b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b></p>
			<p><b>Risks</b></p>	<p><b>Positive effects</b></p>	
<p><b>Protected characteristics</b></p>	<p><b>Age</b></p>	<p>M</p>	<p>Potential impact on both primary and secondary sector</p>		<p>The LA must be able to provide services for both the primary and secondary sector to meet the needs of every pupil</p>
	<p><b>Disability</b></p>	<p>M</p>			<p>The LA must be able to provide specialist services to support pupils across a range of disabilities</p>
	<p><b>Gender reassignment</b></p>	<p>N</p>			
	<p><b>Race</b></p>	<p>N</p>			
	<p><b>Religion/Belief</b></p>	<p>N</p>			
	<p><b>Pregnancy and maternity</b></p>	<p>N</p>			
	<p><b>Sexual Orientation</b></p>	<p>N</p>			

<b>Sex</b>	N			
<b>Welsh language</b>	M			We will continue to provide central support services in both Welsh and English to our schools
<b>Any other area</b>	L			

<b>5. Has there been any consultation/engagement with the appropriate protected characteristics?</b>	<b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>As part of the CCC Budget consultation process</b>
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<b>6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A</b>
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<b>7. Procurement</b> <b>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. NO</b>
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<b>8. Human resources</b> <b>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</b> The quality and breadth of support provided to local schools must continue to be of the highest standard. This proposal could potentially impact the number of centrally employed staff.
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<b>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)</b>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input checked="" type="checkbox"/>
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Approved by:  
Head of Service

Aneirin Thomas

Date:

<b>Department:</b> Education & Children	<b>Completed by (lead):</b> Aneirin Thomas	<b>Date of initial assessment:</b> 20 December 2019 <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Schools Delegated Budget - Department for Education & Children	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	Continuation of existing policy	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
<ul style="list-style-type: none"> <li>ECS Director and Senior LA officers have undertaken thorough analyses of school data, including pupil numbers, performance / achievement, leadership capacities, financial performance etc</li> <li>Local Members have been involved in initial workshop activities in support of this proposed agenda</li> </ul>		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	<ul style="list-style-type: none"> <li>2020-21 £0k</li> <li>2021-22 £0k</li> <li>2022-23 £250k</li> </ul> <p>• This is the budget delegated to every school under the Fair Funding formula.</p> <p>• 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.</p> <p>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.</p>		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

(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)		high (H) medium (M), low (L), no effect (N) for each.	Risks	Positive effects	
Protected characteristics	Age	M	This proposal affects the primary sector rather than secondary		Pupils will benefit from additional socialisation and engagement with peers  We foresee that primary schools' pupils will benefit from an increased and more specialist provision with a reduction in the age range being taught
	Disability	M			Provision will need to be made for pupils with disabilities to ensure access to the primary sector and their local schools  Any further consideration will have to ensure improved accessibility and provision for any pupil with a disability
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			

	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	M			<p>Any local rationalisation of provision will need to consider the Welsh language provision within the geographical area</p> <p>Creating larger provision will ensure that the Welsh language will be supported in a robust and sustainable environment</p>
	Any other area	M	This proposal is likely to affect rural areas more than urban areas		We will ensure that every child still has access to education and our aim is to strengthen support and collaboration for teaching staff in schools, thus reducing isolation

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

YES  NO

As part of the Council's budget consultation process

If this proposal is agreed, a full impact assessment its effect on rural communities will be carried out

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

We will undertake a full impact assessment on the effect on rural communities

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?

There will be implications (to be quantified) on school staffing structures. The LA will work in partnership with school leaders to secure the highest levels of redeployment through analyses of the needs of enhanced pupil numbers and Federation models arising as a result of the rationalisation process.

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

Aneirin Thomas

31 January 2020



## Initial Equalities Impact Assessment

<b>Department:</b> Leisure	<b>Completed by (lead):</b> Jane Davies	<b>Date of initial assessment:</b> 25 Jan 2018  <b>Revision Dates:</b> Dec 2019
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Y Gât, St Clears	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	Existing function, new policy proposal	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
<ul style="list-style-type: none"> <li>• Review of the provision of Cultural activity through Leisure Management Team meetings;</li> <li>• Cultural services and arts management meetings</li> <li>• Discussion with St Clears Town Council, including initial proposal for partnership working in November 2019, to be followed up in January 2020.</li> </ul>		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	We are seeking to consult on future delivery models for Y Gat to include potential development opportunities for this hub of cultural activity, with the aim of reducing the subsidy to the facility over time.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

<p>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 (see guidance notes)</p>		<p><b>Please indicate high (H) medium (M), low (L), no effect (N) for each.</b></p>	<p><b>Risks</b></p> <p>Existing Centre users may have to travel between 5 and 11 miles to participate in similar arts activities in Carmarthen and library activities in Whitland.</p> <p>Not all arts activities are available in Carmarthen.</p>	<p><b>Positive effects</b></p> <p>More diverse library facilities will be available to those travelling to Carmarthen.</p> <p>Arts and gallery facilities are also available in Carmarthen.</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>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Protected characteristics</b></p>	<p><b>Age</b></p>	<p>Medium</p>	<p>Older customers may have mobility issues that could impact on their ability to travel further to take part in artistic activity.</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>
	<p><b>Disability</b></p>	<p>Medium</p>	<p>Disabled customers may have mobility issues that could impact on their ability to travel further to take part in artistic activity.</p> <p>The gallery in Carmarthen is not fully</p>	<p>Alternative library facilities have disability access.</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>

			access compliant although there are proposals for improvement which are being considered as part of a capital program review in the 2020 capital budget setting		
	<b>Gender reassignment</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	<b>Race</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	<b>Religion/Belief</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A

<b>Pregnancy and maternity</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
<b>Sexual Orientation</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
<b>Sex</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
<b>Welsh language</b>	Medium	<p>There will be a need to ensure that service users are able to access services in the language of their choice.</p> <p>Welsh language requirements will need to be met and the service delivery model adopted will need to deliver Welsh</p>	<p>There will be a need to ensure that service users are able to access services in the language of their choice.</p> <p>Welsh language requirements will need to be met and the service delivery model adopted will need to deliver Welsh Government policy requirements.</p>	Any alternative service delivery model developed will need to ensure that Welsh language provision is catered for.

			Government policy requirements.		
	Any other area				

<b>5. Has there been any consultation/engagement with the appropriate protected characteristics?</b>	<p>YES <input checked="" type="checkbox"/>                      NO <input type="checkbox"/></p> <p>Consultation as part of the CCC Budget consultation</p> <p>A user consultation is planned and will inform future updates of this assessment</p>
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**6. What action(s) will you take to reduce any disproportionately negative impact, if any?**

\* To be determined following user consultation and initial consideration of what the alternative delivery models might be; Joint consultation with the Town Council around hub activities is planned for Spring 2020.

\* Initial proposals (2018) involve the consideration of increased revenue streams and consultation with the Town Council and other Community stakeholders around developing a sustainable future for the venue; The proposals to increase revenue from catering activities (2018-2019) have not come to fruition increasing the subsidy required rather than decreasing it. The conversations with the Town Council were resurrected in November 2019 with a view to establishing a proposed activity plan, via consultation, and partnership model. Consultation planned for Spring 2020 will inform future developments.

**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

Human resources

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

- We are looking to develop a sustainable future for the venue following stakeholder consultation and exploration of alternative income streams;
- There are 3 members of staff directly employed at the site that could be impacted by the proposals

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  Not at this stage

Approved by:		
Head of Service	Ian Jones	Date: 31 January 2020

## Initial Equalities Impact Assessment

<b>Department:</b> Leisure	<b>Completed by (lead):</b> Carl Daniels	<b>Date of initial assessment:</b> 21st Nov 2019  <b>Revision Dates: 17/2/20</b>
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Sports & Leisure Charges	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	Existing function, new policy proposal	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
<ul style="list-style-type: none"> <li>• Income trends and budget monitoring</li> <li>• Customer feedback</li> <li>• Management team meetings and discussions.</li> </ul>		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	We are seeking to consult on future charges for the Sports & Leisure services we provide at Leisure Centres and similar venues across Carmarthenshire.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

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<p>eliminate unlawful discrimination, harassment and victimisation;</p> <p>advance equality of opportunity between different groups; and</p> <p>foster good relations between different groups (see guidance notes)</p>		<p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p><b>Risks</b></p> <p>Users may not continue coming to our facilities which could affect their general health and well-being.</p>	<p><b>Positive effects</b></p> <p>Increased charges may create opportunities for re-investment into service thus improving offer and attracting more users</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>
<p>Protected characteristics</p>	<p><b>Age</b></p>	<p>Low</p>	<p>Various social charging offers are in place to mitigate risk and to support such groups</p>	<p>Increased charges may create opportunities for re-investment into service thus improving offer and attracting more users</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>
	<p><b>Disability</b></p>	<p>Low</p>	<p>Various social charging offers are in place to mitigate risk and to support such groups</p>	<p>Increased charges may create opportunities for re-investment into service thus improving offer and attracting more users</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>
	<p><b>Gender reassignment</b></p>	<p>Low</p>	<p>Low risk with limited impact on this</p>	<p>Low risk with limited impact on this protected characteristic group</p>	<p>N/A</p>



			protected characteristic group		
	<b>Race</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	<b>Religion/Belief</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	<b>Pregnancy and maternity</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	<b>Sexual Orientation</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	<b>Sex</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A

<b>Welsh language</b>	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
<b>Any other area</b>				

<p><b>5. Has there been any consultation/engagement with the appropriate protected characteristics?</b></p>	<p><b>YES</b> <input checked="" type="checkbox"/>                      <b>NO</b> <input type="checkbox"/></p> <p>Consultation as part of the CCC Budget consultation</p> <p>A user consultation is planned and will inform future updates of this assessment</p>
<p><b>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</b></p> <p>* Final charges to be determined following consultation</p>	
<p><b>7. Procurement</b></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.</p> <p>N/A</p>	
<p><b>8. Human resources</b></p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</p> <ul style="list-style-type: none"> <li>No</li> </ul>	

<b>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment?</b> (recommended if one or more H under section 2)	YES <input type="checkbox"/>	NO <input type="checkbox"/> Not at this stage
Approved by: Head of Service	Ian Jones	Date: 31 January 2020

## Initial Equalities Impact Assessment

Department: Communities	Completed by (lead): Rhys Page	Date of initial assessment: 07/02/2020 Revision Dates:
Area to be assessed: (i.e. name of <i>policy, function, procedure, practice or a financial decision</i> )	Financial and Policy	
Is this existing or new function/policy, procedure, practice or decision?	Existing Financial Charging Policy	
What evidence has been used to inform the assessment and policy? (please list only)		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Introduction of an Administration Fee for Self-funding Care Home placements. These are individuals, who would have previously placed themselves in to a care home, as they have sufficient capital and or income to meet these costs but following the introduction of the Health and Wellbeing Act Wales 2016 there was an obligation placed on the Local Authority to contract on behalf of an individual if they approached the local authority. This is seen an increase in demand on the local authority, and an additional cost burden, so this admin fee would be to attempt to meet that cost.		
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?

		(1) eliminate unlawful discrimination, harassment and victimisation;	<b>Please indicate high (H) medium (M), low (L), no effect (N) for each.</b>	<b>Risks</b>	<b>Positive effects</b>	
		(2) advance equality of opportunity between different groups; and				
		(3) foster good relations between different groups (see guidance notes)				
<b>Protected characteristics</b>	<b>Age</b>	L	Older people are likely to fall in to this charging area.	That they contract for themselves, thus enabling them to have greater control of their care.	Mitigation measures to be discussed further, following discussion of this proposal	
	<b>Disability</b>	N	None			
	<b>Gender reassignment</b>	N	None			
	<b>Race</b>	N	None			
	<b>Religion/Belief</b>	N	None			
	<b>Pregnancy and maternity</b>	N	None			
	<b>Sexual Orientation</b>	N	None			
	<b>Sex</b>	N	None			
	<b>Welsh language</b>	N	None			
	<b>Any other area</b>	N	None			

<p>5. Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input checked="" type="checkbox"/>                      NO <input type="checkbox"/></p> <p>As part of the CCC Budget Consultation exercise</p>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? None

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.

8. Human resources

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

<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 type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
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<p>Approved by:</p> <p>Head of Service</p>	<p><b>Rhys J Page (Senior Business Manager)</b></p>	<p>Date: 07/02/20</p>
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## Initial Equalities Impact Assessment

<b>Department:</b> Environment  <b>Municipal Services – Superloo Closures</b>	<b>Completed by (lead):</b> Rhys Davies	<b>Date of initial assessment:</b> 22/10/2019  <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Provision of PCs in our main and principle town centres.  Financial savings: £100,000 (£75k in 21/22 and £25k in 22/23) as a result of facility closure.	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	New decision	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Budgetary constraints		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	The current provision extends to 9 paid entry toilet facilities in our principal towns – namely Carmarthen (2no.), Llanelli (2 no), Ammanford, Llandeilo, Llandovery, St Clears, Laugharne. The proposal involves closing the 4 least used facilities, namely two in Llanelli, one in Ammanford and one in St Clears.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

(2) 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)		Please indicate high (H) medium (M), low (L), no effect (N) for each.	Risks	Positive effects	
Protected characteristics	<b>Age</b>	(1) N (2) M (3) N	Facilities will no longer be available.	None	Promote the community toilet scheme where appropriate and signpost to existing shops/establishments that willingly make toilet facilities available to the public.
	<b>Disability</b>	(1) N (2) M (3) N	Facilities will no longer be available.	None	As above.
	<b>Gender reassignment</b>	(1) N (2) N (3) N	N/A	N/A	N/A
	<b>Race</b>	(1) N (2) N (3) N	N/A	N/A	N/A
	<b>Religion/Belief</b>	(1) N (2) N (3) N	N/A	N/A	N/A
	<b>Pregnancy and maternity</b>	(1) N (2) M (3) N	N/A	N/A	N/A
	<b>Sexual Orientation</b>	(1) N (2) N (3) N	N/A	N/A	N/A
	<b>Sex</b>	(1) N (2) N (3) N	N/A	N/A	N/A



<b>Welsh language</b>	(1) N (2) N (3) N	N/A	N/A	N/A
<b>Any other area</b>	(1) N (2) N (3) N	N/A	N/A	N/A

<b>5. Has there been any consultation/engagement with the appropriate protected characteristics?</b>	<b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> As part of the CCC Budget consultation exercise
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<b>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</b>  Promote the community toilet scheme and publicise those facilities that the public can use within retail stores, public houses and other establishments as appropriate. Ensure that we work closely with the Carmarthenshire Disability Coalition for Action.
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<b>7. Procurement – N/A</b>  <b>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, or service.</b>  <b>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</b>
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<b>8. Human resources – N/A</b>  <b>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</b>
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<b>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment?</b> (recommended if one or more H under section 2)	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input checked="" type="checkbox"/>
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<b>Approved by:</b> Head of Service	<b>Ainsley Williams</b> Ainsley Williams	<b>Date:</b> 31 January 2020
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## Initial Equalities Impact Assessment

<b>Department:</b> Environment <b>Municipal Services – Public Convenience Charges</b>	<b>Completed by (lead):</b> Rhys Davies	<b>Date of initial assessment:</b> 29/10/2019 <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	The provision of high-quality paid entry public conveniences facilities in our principal towns. Financial savings: £23,000 (21/22)	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	New decision	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Budgetary constraints		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	There are currently 9 public convenience facilities within the County that are paid entry 20p per visit. These are located in our main and principal towns. The proposal relates to increasing the charge to 40p per visit.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

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

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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"/> Consultation as part of CCC consultation exercise
6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A		
7. Procurement – N/A 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 – N/A 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	Ainsley Williams	Date: 31 January 2020

## Initial Equalities Impact Assessment

<b>Department:</b> Environment  <b>Cemetery charges - Ammanford</b>	<b>Completed by (lead):</b> Daniel W John	<b>Date of initial assessment:</b> 23/10/2019  <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Financial savings: £1,500 (by 2020/21)  Increasing charges for burials, memorial plaques and administrative charges by about 10 to 25%	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>		New practice
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Budget Budget consultation 2017-21.		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	CCC is responsible for the administration, management, and maintenance of the operational cemetery at Dyffryn Road, Ammanford. It is proposed to increase charges for burials, memorial plaques and administrative charges by between 10 to 25%. This increase would still mean that Charges at this cemetery remains beneath provision in other areas.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

<p>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><b>Please indicate high (H) medium (M), low (L), no effect (N) for each.</b></p>	<p><b>Risks</b></p>	<p><b>Positive effects</b></p>	
<p><b>Protected characteristics</b></p>	<b>Age</b>	(1) N (2) N (3) N			
	<b>Disability</b>	(1) N (2) N (3) N			
	<b>Gender reassignment</b>	(1) N (2) N (3) N			
	<b>Race</b>	(1) N (2) N (3) N			
	<b>Religion/Belief</b>	(1) N (2) N (3) N			
	<b>Pregnancy and maternity</b>	(1) N (2) N (3) N			
	<b>Sexual Orientation</b>	(1) N (2) N (3) N			
	<b>Sex</b>	(1) N (2) N (3) N			
	<b>Welsh language</b>	(1) N (2) N (3) N			
	<b>Any other area</b>	(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"/>	
6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A		
<b>7. Procurement</b> 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.		
<b>8. Human resources</b> 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 <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Approved by: Head of Service	Ainsley Williams	Date: 13/02/2020

## Initial Equalities Impact Assessment

<b>Department:</b> Environment <b>Waste Services Age Cymru</b>	<b>Completed by (lead):</b> Ainsley Williams	<b>Date of initial assessment:</b> 23/10/2019 <b>Revision Dates:</b> 31 January 2020	
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Financial savings: £20,000 (by 2020/21) At present a Service Level Agreement is in place with Age Cymru for the support with the elderly in glass recycling collections. At present the service is supporting 57 clients within the community at a cost of £350 per client with minimal recycling benefit gained.		
<b>Is this existing or new function/policy, procedure, practice or decision?</b>		New Practice	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>			
Budget Budget consultation 2017-21.			

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	It is proposed for the cessation of this service affecting 57 clients in recycling glass with minimal effect on recycling performance for a saving of £20,000.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>



<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><b>Age</b></p>	<p>(1) N (2) L (3) N</p>	<p>The removal of this service reduces the opportunity for the elderly clients supported in undertaking glass recycling due to their inability to travel to bring sites unless aided by other support networks.</p>		<p>If the proposal is agreed, the team will promote the support and engagement of other wrap around services to support in recycling. A specific campaign will be undertaken to support older people e.g. through the Carmarthenshire 50+ Forum</p>
	<p><b>Disability</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Gender reassignment</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Race</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Religion/Belief</b></p>	<p>(1) N (2) N (3) N</p>			

<b>Pregnancy and maternity</b>	(1) N (2) N (3) N			
<b>Sexual Orientation</b>	(1) N (2) N (3) N			
<b>Sex</b>	(1) N (2) N (3) N			
<b>Welsh language</b>	(1) N (2) N (3) N			
<b>Any other area</b>	(1) N (2) N (3) N			

<p><b>5. Has there been any consultation/engagement with the appropriate protected characteristics?</b></p>	<p><b>YES</b> <input checked="" type="checkbox"/>                      <b>NO</b> <input type="checkbox"/></p> <p>Consultation as part of the CCC Budget consultation exercise</p>	
<p><b>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</b></p> <p>Promote the support and engagement of other wrap around services to support in recycling.</p>		
<p><b>7. Procurement</b></p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, or service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>		
<p><b>8. Human resources</b></p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A</p>		
<p><b>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment?</b> (recommended if one or more H under section 2)</p>	<p><b>YES</b> <input type="checkbox"/></p>	<p><b>NO</b> <input checked="" type="checkbox"/></p>

**Approved by:**

Head of Service

Ainsley Williams

**Date:**

31 January 2020

## Initial Equalities Impact Assessment

Department: Environment <b>Household Waste Recycling Centres – Whitland</b>	<b>Completed by (lead):</b> Ainsley Williams	<b>Date of initial assessment:</b> 23/10/2019 <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Financial savings: £80,000 (by 2021/22) There are currently four Household Waste Recycling Centres serving the population of Carmarthenshire.	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	New Practice	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Budget Budget consultation 2017-21.		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	Achieving a cost saving by rationalising the HWRC network from 4 sites to 3. On analysing the usage and coverage of our HWRCs across the county the site with the smallest population served, least usage and lowest contribution to recycling performance is Whitland. It is proposed for the closure of Whitland HWRC to achieve savings of £80,000.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

		(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)	<b>Please indicate high (H) medium (M), low (L), no effect (N) for each.</b>	<b>Risks</b>	<b>Positive effects</b>	
<b>Protected characteristics</b>	<b>Age</b>	(1) L (2) L (3) L		Potential risk for older people who wish to access the site in terms of travelling distances and support at the sites		Support available from operators at other sites to ensure best use of facilities and wider access
	<b>Disability</b>	(1) L (2) L (3) L		Potential risk for disabled people who wish to access the site in terms of travelling distances and support at the sites		Support available from operators at other sites to ensure best use of facilities and wider access
	<b>Gender reassignment</b>	(1) N (2) N (3) N				
	<b>Race</b>	(1) N (2) N (3) N				
	<b>Religion/Belief</b>	(1) N (2) N (3) N				

<b>Pregnancy and maternity</b>	(1) N (2) N (3) N			
<b>Sexual Orientation</b>	(1) N (2) N (3) N			
<b>Sex</b>	(1) N (2) N (3) N			
<b>Welsh language</b>	(1) N (2) N (3) N			
<b>Any other area</b>	(1) N (2) N (3) N			

<p><b>5. Has there been any consultation/engagement with the appropriate protected characteristics?</b></p>	<p><b>YES</b> <input checked="" type="checkbox"/>      <b>NO</b> <input type="checkbox"/></p> <p>Consultation as part of the CCC Budget consultation exercise</p>
<p><b>6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A</b></p>	
<p><b>7. Procurement</b></p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, or service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>	
<p><b>8. Human resources</b></p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A</p>	
<p><b>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)</b></p>	<p><b>YES</b> <input type="checkbox"/>      <b>NO</b> <input checked="" type="checkbox"/></p>

**Approved by:**

Head of Service

Ainsley Williams

**Date:**

31 January 2020

## Initial Equalities Impact Assessment

<b>Department:</b> Environment <b>Grounds – Parc Howard</b>	<b>Completed by (lead):</b> N French	<b>Date of initial assessment:</b> 22/10/2019 <b>Revision Dates:</b> 31 January 2020
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Financial savings: £8,000 (by 2020/21) At Parc Howard in Llanelli seasonal bedding has always been planted i.e. spring bedding and summer bedding. This activity has been reviewed in the face of savings that the Department must make.	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	New Policy	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Budget pressures.		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	The proposal would cease the planting of spring bedding, leaving the bed fallow. This will result in colourful flower displays through the summer months only. The purpose is to reduce maintenance costs.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>



		(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)	<b>Please indicate high (H) medium (M), low (L), no effect (N) for each.</b>	<b>Risks</b>	<b>Positive effects</b>	
<b>Protected characteristics</b>	<b>Age</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Disability</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Gender reassignment</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Race</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Religion/Belief</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Pregnancy and maternity</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Sexual Orientation</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Sex</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Welsh language</b>	(1) N (2) N (3) N	N/A	N/A	N/A	
	<b>Any other area</b>	(1) N (2) N (3) N	N/A	N/A	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"/> As part of the CCC Budget Consultation exercise
6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A		
7. Procurement - N/A 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 – N/A 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	Ainsley Williams	Date: 31 January 2020

## Initial Equalities Impact Assessment

<b>Department:</b> Environment	<b>Completed by (lead):</b> Daniel W John	<b>Date of initial assessment:</b> 23/10/2019  <b>Revision Dates:</b> 31 January 2020
<b>Knotweed Treatment Provision</b>		
<b>Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)</b>	Financial savings: £10,000 (by 2021/22)  Potential to treat knotweed for external clients, subject to wider corporate consideration on commercial activity that service departments can undertake.	
<b>Is this existing or new function/policy, procedure, practice or decision?</b>	New practice	
<b>What evidence has been used to inform the assessment and policy? (please list only)</b>		
Budget Budget consultation 2017-21		

<b>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</b>	The grounds maintenance team arranges the treatment of Japanese Knotweed with respect to its own assets and other landownership across the Council. The proposal is to undertake the treatment of knotweed for external clients, subject to approval for commercial activity that service departments can undertake.		
<b>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</b>	<b>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</b>	<b>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</b>	<b>4. If there is a disproportionately negative impact what mitigating factors have you considered?</b>

<p>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><b>Please indicate high (H) medium (M), low (L), no effect (N) for each.</b></p>	<p><b>Risks</b></p>	<p><b>Positive effects</b></p>	
<p><b>Protected characteristics</b></p>	<p><b>Age</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Disability</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Gender reassignment</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Race</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Religion/Belief</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Pregnancy and maternity</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Sexual Orientation</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Sex</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Welsh language</b></p>	<p>(1) N (2) N (3) N</p>			
	<p><b>Any other area</b></p>	<p>(1) N (2) N (3) N</p>			

<p><b>5. Has there been any consultation/engagement with the appropriate protected characteristics?</b></p>	<p><b>YES</b> <input type="checkbox"/>                      <b>NO</b> <input checked="" type="checkbox"/></p> <p>As part of the CCC Budget Consultation exercise</p>	
<p><b>6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A</b></p>		
<p><b>7. Procurement</b></p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, or service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>		
<p><b>8. Human resources</b></p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A</p>		
<p><b>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment?</b> (recommended if one or more H under section 2)</p>	<p><b>YES</b> <input type="checkbox"/></p>	<p><b>NO</b> <input checked="" type="checkbox"/></p>
<p><b>Approved by:</b></p> <p>Head of Service</p>	<p>Ainsley Williams</p>	<p><b>Date:</b></p> <p>13/02/2020</p>

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## EXECUTIVE BOARD

24<sup>TH</sup> FEBRUARY 2020

### FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) – 2020/21 TO 2024/25

#### EXECUTIVE BOARD RECOMMENDATIONS:

That Executive Board consider and recommend to County Council:

1. The five-year capital programme and its funding as detailed in Appendix B, with 2020/21 being a hard budget and 2021/22 to 2024/25 soft/indicative budgets be approved.
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, and
4. Delegate to the Director of Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources, to make any amendments necessary as a consequence of the WG final settlement due on 25 February.

#### REASONS:

To enable the authority to agree a five-year capital programme 2020/21 to 2024/25.

Relevant Scrutiny Committee Consulted	YES
Exec Board Decision Required	YES
Council Decision Required	YES

<b>Directorate:</b> Corporate Services Chris Moore	<b>Designation:</b>  Director of Corporate Services	<b>Telephone:</b> (01267) 224120 <b>E-mail address:</b> <a href="mailto:cmoore@cararthenshire.gov.uk">cmoore@cararthenshire.gov.uk</a>
<b>Report Author:</b> Randal Hemingway	Head of Financial Services	<a href="mailto:rhemingway@cararthenshire.gov.uk">rhemingway@cararthenshire.gov.uk</a>

**EXECUTIVE SUMMARY  
EXECUTIVE BOARD  
24<sup>TH</sup> FEBRUARY 2020**

**FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) – 2020/21  
TO 2024/25**

The report brings together the latest proposals for the five-year capital programme 2020/21 to 2024/25, taking account of the consultation exercise undertaken and the revenue implications arising from the programme.

The proposed gross expenditure on the capital programme for 2020/21 is £106.393m with the projected funding being £57.563m from the county council's own resources through the use of borrowing, capital receipts, reserves and general capital grant and, the balance of funding of £48.830m coming from external sources.

The capital programme is projected to be fully funded over the 5 years.

It includes projected expenditure on the Swansea Bay City Region Deal projects against which the authority will borrow, with the funding being returned from both Welsh and UK governments over a 15 years period (from 2018/19).

The authority's capital strategy, required by the prudential code for capital finance in local authorities, has been updated and sets out the long-term context in which capital expenditure and investment decisions are made. It gives due consideration to both risk and reward and impact on the achievement of priority outcomes. The capital strategy covers expenditure on both Council Fund and HRA capital and 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 2020/2021 through to 2024/25, however, if any of the currently anticipated funding does not materialise it 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
2019-24 Capital Programme		Corporate Services Dept., County Hall, Carmarthen
2020-25 Capital Programme		Corporate Services Dept., County Hall, Carmarthen

# REPORT OF DIRECTOR OF CORPORATE SERVICES

Executive Board

24<sup>th</sup> February 2020

## FIVE-YEAR CAPITAL PROGRAMME – 2020/21, 2021/22, 2022/23, 2023/24 and 2024/25

<b>DIRECTOR &amp; DESIGNATION</b>	<b>DIRECTORATE</b>	<b>TELEPHONE NO.</b>
C Moore, Director of Corporate Services	Corporate Services	01267 224120
<b>AUTHOR &amp; DESIGNATION</b>	<b>DIRECTORATE</b>	<b>TELEPHONE NO.</b>
R Hemingway, Head of Financial Services	Corporate Services	01267 224886

### 1. INTRODUCTION

- 1.1. The report provides members with a view of the five-year Capital Programme 2020/21, 2021/22, 2022/23, 2023/24 and 2024/25.
- 1.2. This report reflects the position following consultation results in setting out the proposals for the authority's capital programme for the next five years.
- 1.3. The authority is required to approve a rolling capital programme each year as part of its budget setting process. This facilitates forward planning and is consistent with the requirements of the Prudential Code in terms of financial planning and funding while assisting officers in bidding for external funding.
- 1.4. 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 detailed provisional capital programme (**Appendix B(i)**) was presented to the Policy and Resources Scrutiny Committee on 27<sup>th</sup> January 2020 to seek its views on the proposals. An extract from the relevant Committee meeting minutes is appended (**Appendix A**) for information.

### 3. BACKGROUND

- 3.1. Last year the authority agreed a fully funded five capital programme 2019/20 to 2024/25 which was approved at County Council on 20<sup>th</sup> February 2019.
- 3.2. The capital programme was revisited by the Strategic Assets Steering Group (SASG) and the Corporate Management Team. Departments also submitted proposals for new projects in 2024/25 which is the fifth year of the new programme. Projects have been assessed and prioritised with only the highest priorities being able to be included in the programme.
- 3.3. The proposed capital programme is attached in Appendix B and shows the anticipated expenditure and sources of funding over the five year period.
- 3.4. The proposed Capital Programme and Funding is based on Welsh Government's Provisional Settlement. The Final Settlement is particularly late this year, mainly due to the General Election that took place in December. The Final Settlement is due on the 25<sup>th</sup> February and it will be noted that whilst no changes are expected, should there be any amendments in the funding figures issued by WG, that Executive Board is asked to delegate to the Director of Corporate Services to adjust the programme accordingly, in liaison with the CE, Leader and EB member for Resources.

### 4. PRIORITIES

- 4.1. The current Corporate Strategy for 2018-2023 (refreshed 2019) sets out the Authority's strategic priorities, aspirations, overarching themes and core values, and the programme has been developed in line with these.
- 4.2. The proposed capital programme of £255m over the 5 years is aimed at delivering a number of key projects that will create jobs and improve the quality of life for the people of Carmarthenshire. The key investments are:

	£m
Schools	86
Housing (Non HRA)	10
Leisure & Culture	24
Regeneration	81
ICT	6
Environment	48

## 5. FUNDING

- 5.1. The provisional settlement received from the Welsh Government (WG) allocated capital funding of £11.834m for the Authority in 2020-21. This is made up of Unhypothecated Supported Borrowing of £5.909m and General Capital Grant of £5.925m. This is an increase of £1.075m against previously planned figure, which was itself augmented by the £100m all Wales 3 year package announced by WG in 2018.

Recognising the experience of recent years additional WG capital funding, as well as indications from Westminster of increases in capital investment (which would likely lead to WG Barnett consequential), our assumption on general capital funding has been increased by £1m annually.

- 5.2. The level of capital receipts funding included within the programme has been revised in line with latest estimates. General capital receipts of £5.6m will be applied over the five year period. It should be noted that there may be a need to amend future capital programmes if there is a shortfall in expected receipts.
- 5.3. The 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 £44m of reserve funding is included over the five years of the programme.
- 5.4. Within the Modernising Education Programme (MEP) additional resources have been approved in recent years for the Band A 21<sup>st</sup> Century Schools projects. (This was in response to a request by the WG to bring forward their Band A projects for completion by 2018/19.) 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.

The Band B programme runs from 2019 to 2026, with an estimated programme value of £129.5m for Carmarthenshire. This will require LA contribution in the region of £36.5m capital funding of which, £23m has allocated in the programme to 2025. WG introduced a contribution level of 65% towards Band B projects, with the County Council's contribution now being 35%. Special Schools have a 75% WG contribution rate. The £129.5m allocation includes £25m for the Mutual Investment Model (MIM) projects for which the LA is required to contribute 19% 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 is funded through a revenue contribution of 19% and WG grant funding of 81%. 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.

- 5.5. 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 £87m. There is also £42m of funding for the City Deal.

## **6. CAPITAL PROGRAMME 2020/21 TO 2024/25**

- 6.1. When the capital programme was approved at County Council on 20<sup>th</sup> February 2019 it was fully funded. The new capital programme again remains fully funded.
- 6.2. As part of the compilation of the proposed capital programme a review of the years 2020/21 to 2023/24 has been undertaken and new expenditure/schemes have been proposed for the 5<sup>th</sup> year 2024/25. 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(i)**.

### **Community Services**

- 6.3. Within Community Services, the capital programme makes material investments to leisure and cultural services.
- 6.4. The most significant of these is a £1.9m investment into Oriol Mryddin. This will deliver a gallery of national importance, aligned with the Arts Council of Wales dispersed model of galleries across Wales. It is envisaged that the completed gallery could display national collections. This will broaden access to the arts and contribute to Carmarthenshire as a tourist destination.
- 6.5. A further £650k is to be invested into Carmarthen Leisure Centre. This final phase, encompassing improvements to the car parking and pedestrian access, will complete the masterplan improvements.
- 6.6. In 2024/25 within Private Sector Housing, funding is provided for Disabled Facility Grants £2m.

### **Environment**

- 6.7. For 2024/25 further allocations to existing rolling programmes of work are included such as Highway Improvements £600k, Bridge Maintenance £400k and Road Safety Improvement £250k.
- 6.8. Council funding on Highway Maintenance will continue to be bolstered in 2020/21 through a Road Refurbishment Grant provided by WG.
- 6.9. Recognising the backlog of works across the council's operational estate, it has been possible to make the following additions:
- £2.5m is provided across the five years of the programme to complete essential works to County Hall, including upgrades

to alarm systems and other mechanical and electrical works. This will be phased to minimise disruption to Council functions.

- £500k is provided for health and safety works to Ty Elwyn
  - It is proposed to continue investment in Capitalised Maintenance and increase the allocation to £3.5m in 2024/25.
- 6.10. Officers are currently developing an extensive programme of energy efficiency and carbon reduction measures which will be implemented across multiple buildings in the council's estate, including schools and leisure facilities, to be funded by a zero interest loan on a prudential basis. This will be brought forward for member approval at the earliest opportunity
- 6.11. A five-year Fleet Replacement Programme for £10.7m 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.
- 6.12. We have allocated £25k to the provision of the county's first Changing Places facility.

### **Education and Children**

- 6.13. In the Education and Children capital programme, the MEP includes the continuation of the 21<sup>st</sup> Century Schools improvement programme. Schemes are funded jointly by Welsh Government grant and the Authority. Owing to known and likely external factors some schemes have been interchanged between Bands A and B of the programme to ensure external funding is fully utilised.
- 6.14. The MEP programme continues to include schemes to a total value of £25m which will be supported through the MIM funding approach.
- 6.15. The WG have recently allocated £43m one off grant funding across Wales (c. £2.7m for Carmarthenshire) for Schools capital maintenance.

### **Chief Executive**

- 6.16. ICT services have £5.7m allocated across the programme. This includes an additional £1.157m of critical infrastructure works in 2024/25, as well as annual funding of £200k to support Digital Transformational projects across council services, aligned with the council's TIC work programme.

- 6.17. During 2019/20, WG have confirmed grant funding of £50m across Wales for Schools ICT infrastructure, of which around £2.5m for Carmarthenshire is likely to fall over the next two years. There is no requirement for match funding, however Local Authorities must identify a sustainable funding model to ensure a lasting impact to this one off funding.

### **Regeneration**

- 6.18. The Transformation Strategy Project Fund has been allocated a further £1.5m of County Council funding for 2024/25, with the expectation that this will lever in a further £3m in external monies.
- 6.19. In line with the approval given by Executive Board in November 2019, the £4m scheme to redevelop Llandeilo Market Hall is added to the programme, including £2.6m of funding from previous year grant and reserves.
- 6.20. Following the successful delivery of phase 1 of Glanam workshops, which is now fully let, a further £600k has been allocated for phase 2, which will be added to the £247k slippage from phase 1.
- 6.21. In recognition of the Climate Emergency declared in 2019/20, £500k of new unsupported borrowing has been allocated to decarbonisation projects. This approach is supported by an addition to the council's revenue budget, to enable the development and delivery of this new area of focus.
- 6.22. £200k is provided for the fit out of the Pendine Attractor Project, to enable it to reach its full potential.
- 6.23. Included within Regeneration (City Deal) is the budget for the Llanelli Area Review. Including funding allocated in previous years, the total budget for this scheme stands at £7.0m and will form part of the council's contribution to the Wellness Village.

Also included within the Regeneration (City Deal) is the budget for Llanelli Leisure Centre. This budget has been increased by £2m based on additional funding available from reserves (£1m) and external funding from a trust (£1m). Based on current costings, it is anticipated that there could be a further £1.5m required as part of the business plan approval process. Furthermore, this budget does not include any allowance for fit out costs, which it is estimated could account for a further £1.0m - £1.5m.

The Capital Programme includes the proposed expenditure on the two capital City Deal Projects. This expenditure, whilst being incurred by the Authority will be repaid to the Authority over a 15 year period by both Welsh and UK governments. 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. The two capital projects the Authority will deliver are the Wellness Village and Yr Egin.

Development of the Wellness Village will require upfront investment of an estimated £10m for site infrastructure costs, to be financed from borrowing. Funding will be subject to income flows from different elements of the project, with borrowing not to take place until these are secured. This mechanism will be part of the wider business case, which will be subject to member approval at the appropriate time. As such, no figures are yet included in the current capital programme.

The County Council will also have an input into the Regional Projects.

## **Reserve Projects**

6.24. Whilst additional funding has enabled the inclusion of significant additions to the capital programme, there remain a large number of schemes which it has not been possible to provide funding for at this time. As part of the capital bids process this year, council officers identified possible investments totalling in excess of £100m which currently remain on a prioritised reserve list, including items such as:

- Additional investment into highways maintenance & infrastructure.
- Investment in waste treatment infrastructure changes to facilitate future service changes
- Further funding required to complete the Tywi Valley Path
- Increased council allocations for regeneration programmes including the Rural Enterprise Fund and Commercial Property Fund
- Additional Disabled Facilities Grants annual allocations
- Wider investment into Leisure Centres refurbishments and Pendine Outdoor Centre
- Covering the current shortfall on overall council funding required to complete the 21<sup>st</sup> Century Schools Band B programme

Unless and until further funding sources are identified, it is only possible to consider such additions to the capital programme if current schemes are removed or reduced. A full list of high and

medium ranked priorities is provided in **Appendix B(ii)**.

## **7. WELLBEING OF FUTURE GENERATIONS (WALES) ACT 2015**

7.1. 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'

7.2. 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

7.3. 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
- 7.4. Our well-being objectives are designed to maximise our contribution to achieving the seven well-being goals of the Act.
- 7.5. All projects within the programme have been assessed and scored with the five ways of working, the seven goals and our corporate well-being statement in mind.

## 8. SUMMARY

The table below gives a breakdown of the expenditure by departments and the sources of funding.

<b>CAPITAL PROGRAMME SUMMARY</b>					
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b><u>Expenditure</u></b>					
Community Services	5,600	3,317	2,000	2,000	2,000
Environment	12,381	14,665	8,092	6,033	6,360
Education & Children	38,866	27,886	16,114	2,705	300
Chief Executive	1,700	2,275	200	200	1,357
Regeneration	47,846	25,180	18,600	4,500	4,500
<b>Total Expenditure</b>	<b>106,393</b>	<b>73,323</b>	<b>45,006</b>	<b>15,438</b>	<b>14,517</b>
<b><u>Grants and Contributions</u></b>					
External Funding	48,830	45,117	28,675	3,200	3,000
<b>Net Expenditure Funded by CCC</b>	<b>57,563</b>	<b>28,206</b>	<b>16,331</b>	<b>12,238</b>	<b>11,517</b>
<b><u>CCC Funding</u></b>					
Non-hypothecated Supported Borrowing	5,909	5,909	5,909	5,909	5,909
Unsupported Borrowing	1,100	500	0	0	0
General Capital Grant	4,606	4,606	4,606	4,606	4,606
General Capital Grant (3year allocation of £6m)	1,319	0	0	0	0
Capital Receipts	4,100	1,500	0	0	0
Capital Reserves	29,945	38	37	473	2
Additional Borrowing – MEP	4,987	0	0	0	0
Economic Stimulus Funding	600	722	0	0	0
Prudential Borrowing - Fleet	366	6,380	1,980	1,000	1,000
MEP Reserve	0	7,951	3,799	250	0
Joint Venture Funding Llanelli Leisure Centre	3,500	0	0	0	0
Direct Revenue Funding	600	600	0	0	0
Section 106	531	0	0	0	0
<b>Overall Net Position: Surplus (+) / Deficit (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 8.1. To summarise the overall position, the capital programme is fully funded for the 5 years from 2020/21 to 2024/25.
- 8.2. The total cost of the programme is £255m of which £126m is to be funded by the County Council and £129m is funded from external grants and contributions.
- 8.3. The full detail of the proposed five-year capital programme is attached in Appendix B(i).

## **9. REVENUE IMPLICATIONS**

- 9.1. Whilst in recent years, no revenue implications have been validated within the revenue budget, this approach is not sustainable indefinitely. The draft revenue budget strategy 2020/21 to 2022/23 allows for £400k increased revenue budget implications each year.

## **10. RECOMMENDATIONS**

- 10.1 That Executive Board consider and recommend to County Council:
  - 10.1.1 The five-year Capital Programme and funding as detailed in Appendix B be approved, with 2020/21 being a hard budget and 2021/22 to 2024/25 soft/indicative budgets.
  - 10.1.2 That the programme be reviewed, as is usual, if anticipated external or county council funding does not materialise.
  - 10.1.3 That the Capital Strategy in Appendix C be approved.
  - 10.1.4 Delegate to the Director of Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources, to make any amendments necessary as a consequence of the WG final settlement due on 25 February.

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## EXTRACT

### POLICY & RESOURCES SCRUTINY COMMITTEE

Monday, 27 January 2020

#### 5. FIVE YEAR CAPITAL PROGRAMME 2020/21 - 2024/25

The Committee considered the five-year capital programme with a view to any feedback, along with the outcome of the final settlement, informing the final budget report which would be presented to Council for consideration in March, 2020. The proposed capital programme was a capital spend of some £255m over the next 5 years and current funding proposals included external funding of £129m. The report highlighted the provisional settlement received from the Welsh Government which indicated capital funding of £11.834m for the Authority in 2020-21. The funding was made up of Unhypothesized Supported Borrowing of £5.909m and General Capital Grant of £5.925m. In summary, the overall position of the capital programme was funded for the 5 years from 2020/21 to 2024/25.

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

- Members were advised that in terms of the £500k of new unsupported borrowing allocated to decarbonisation projects there were, as yet, no specific project details;
- In terms of the five-year Fleet Replacement Programme the Head of Financial Services agreed to ascertain whether any eco-related sources of funding were being explored;
- It was clarified that the funding within the Regeneration budget for Llanelli Leisure Centre related to the proposed centre within the Wellness development;
- The Head of Financial Services agreed to circulate details of reserves;
- In response to a question the Head of Property commented that every Head of Service was consulted prior to the disposal of any closed school.

**UNANIMOUSLY RESOLVED that the Five-Year Capital Programme 2020/21 – 2024/25 be endorsed.**

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COUNCIL FUND	Current Programme															Five Year Total		
	Year 1			Year 2			Year 3			Year 4			Year 5			County Council Funding	External Funding	Total
	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			
	2020/21			2021/22			2022/23			2023/24			2024/25			Five Year Total		
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>COMMUNITIES</b>																		
<b>Private Sector Housing</b>																		
Disabled Facility Grants	2,000		2,000	2,000		2,000	2,000		2,000	2,000		2,000	2,000		2,000	10,000	0	10,000
<b>Social Care</b>																		
Learning Disabilities	144		144													144	0	144
<b>Leisure</b>																		
<b>Sports &amp; Leisure</b>																		
Carmarthen LC Masterplan & AstroTurf Pitch	400		400	500		500										900	0	900
Carmarthen LC Track	29		29													29	0	29
Cwmaman AFC Ground Improvements																		
Amman Valley Leisure Centre Masterplan	1,089		1,089													1,089	0	1,089
Burry Port Harbour Dredging																0	0	0
Burry Port Harbour Walls	235		235													235	0	235
<b>Culture</b>																		
Oriel Myrddin	373	700	1,073	517	300	817										890	1,000	1,890
Carmarthenshire Museums Collections	0		0													0	0	0
Carmarthenshire County Museum Abergwili	630		630													630	0	630
<b>Total Communities</b>	<b>4,900</b>	<b>700</b>	<b>5,600</b>	<b>3,017</b>	<b>300</b>	<b>3,317</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>13,917</b>	<b>1,000</b>	<b>14,917</b>
<b>ENVIRONMENT</b>																		
<b>Infrastructure</b>																		
Highways	600	1,500	2,100	600		600	600		600	600		600	600		600	3,000	1,500	4,500
Bridges	900	0	900	400		400	400		400	400		400	400		400	2,500	0	2,500
Waste Management - Loan to CWM	600		600													600	0	600
<b>Transportation</b>																		
Multi Storey Car Park, Llanelli	60	0	60	60		60	60		60	60		60	60		60	300	0	300
Road Safety Improvement Schemes	350	0	350	375		375	350		350	250		250	250		250	1,575	0	1,575
Cross Hands Economic Link Road Phase 2	300	1,280	1,580	750		750	750		750							1,800	1,280	3,080
Tywi Valley Path	500	750	1,250	500	750	1,250										1,000	1,500	2,500
Ammanford Distributor Road Phase 2	150	25	175			150										150	175	325
Walking & Cycling Linkages	100	325	425	100	375	475	100		100							300	700	1,000
Transport Interchange & Bus Corridor Improvements	0	100	100	100		100										0	200	200
Safe Routes in the Communities	0	225	225		225	225										0	450	450
A4138 Hendy Link Road	25	250	275	150		150	50		50							75	400	475
Highway Junction Improvements/Signals Upgrade	25	110	135	25	25	50	25		25							75	135	210
Fleet Replacement - Prudential Borrowing	366	0	366	6,380		6,380	1,980		1,980	1,000		1,000	1,000		1,000	10,726	0	10,726
<b>Rights of Way</b>																		
Rights of Way Improvement Programme	50	0	50	50		50	50		50	50		50	50		50	250	0	250
<b>Property</b>																		
Agile Working	115	0	115													115	0	115
Capital Maintenance Years	2,900	0	2,900	2,900		2,900	2,900		2,900	3,000		3,000	3,500		3,500	15,200	0	15,200
Changing Places	25		25													25	0	25
Decarbonisation				500		500										500	0	500
County Hall	750	0	750	250		250	500		500	500		500	500		500	2,500	0	2,500
Ty Elwyn							327		327	173		173	500		500	500	0	500
<b>Total Environment</b>	<b>7,616</b>	<b>4,565</b>	<b>12,381</b>	<b>12,890</b>	<b>1,775</b>	<b>14,665</b>	<b>6,092</b>	<b>0</b>	<b>6,092</b>	<b>6,033</b>	<b>0</b>	<b>6,033</b>	<b>6,360</b>	<b>0</b>	<b>6,360</b>	<b>41,191</b>	<b>6,340</b>	<b>47,531</b>
<b>EDUCATION &amp; CHILDREN</b>																		
<b>Modernising Education Programme</b>																		
Llangadog	124	0	124													124	0	124
Laugharne	64	0	64	611	1,020	1,631	420	1,012	1,432							1,095	2,032	3,127
Gorslas	3,351	2,200	5,551			0										3,351	2,200	5,551
Dewi Sant	100	100	200	1,592	2,700	4,292	1,278	2,644	3,922							2,970	5,444	8,414
Rhys Prichard	850	700	1,550	832		832	23		23							1,705	700	2,405
Rhydygors	35	65	100	350	650	1,000	58	109	167							443	824	1,267
Y Castell	2,660	725	3,385			0										2,660	725	3,385
Pembrey	1,138	510	1,648	1,743	3,422	5,165										2,881	3,932	6,813
Pum Heol	1,117	2,431	3,548	200		200										1,317	2,431	3,748
Llandeilo	20	2,800	2,820	486	2,000	2,486	765	920	1,685	1,252		1,252	300		300	2,823	5,720	8,543
Ammanford Primary Welsh Medium	360	5,290	5,650													360	5,290	5,650
Heol Goffa New School	3,270	7,500	10,770	230	4,500	4,730	250		250							3,750	12,000	15,750
Ammanford Primary Dual Stream	50		50	500	1,000	1,500	600	3,090	3,690	1,110	200	1,310				2,260	4,290	6,550
Gwenllian	562		562	1,000	2,500	3,500	600	2,050	2,650							2,305	4,550	6,855
Hendy	100		100	1,000	1,500	2,500	495	1,750	2,245							1,595	3,250	4,845
Other Band B Projects	50		50	50		50	50		50							150	0	150
School Buildings - Capital Maintenance Grant	0	2,694	2,694													0	2,694	2,694
<b>Total Education &amp; Children</b>	<b>13,851</b>	<b>25,015</b>	<b>38,866</b>	<b>8,594</b>	<b>19,292</b>	<b>27,886</b>	<b>4,539</b>	<b>11,575</b>	<b>16,114</b>	<b>2,505</b>	<b>200</b>	<b>2,705</b>	<b>300</b>	<b>0</b>	<b>300</b>	<b>29,789</b>	<b>56,082</b>	<b>85,871</b>
<b>CHIEF EXECUTIVE</b>																		
<b>IT Strategy Developments</b>																		
Virtual Unix Replacement				110		110										110	0	110
I/O Virtualisation																0	0	0
IT Strategy Developments	250	0	250	60		60										250	0	250
Information Security and Governance																60	0	60
Virtualised Server & Storage Environment Replacement				315		315										315	0	315
Digital Transformation	200	0	200	200		200	200		200	200		200	200		200	1,000	0	1,000
Disaster Recovery				190		190										190	0	190
Legacy Network & Telephony Equipment Replacement				150		150										150	0	150
HWB for Schools Infrastructure Grant	1,250		1,250		1,250	1,250										0	2,500	2,500
Business Critical Infrastructure & Strategic ICT Development													1,157		1,157	1,157	0	1,157
<b>Total Chief Executive</b>	<b>450</b>	<b>1,250</b>	<b>1,700</b>	<b>1,025</b>	<b>1,250</b>	<b>2,275</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>1,357</b>	<b>0</b>	<b>1,357</b>	<b>3,232</b>	<b>2,500</b>	<b>5,732</b>
<b>REGENERATION</b>																		
Transformational Strategy Project Fund	3,836	3,000	6,836	1,259	3,000	4,259	1,500	3,000	4,500	1,500	3,000	4,500	1,500	3,000	4,500	9,595	15,000	24,595
Pendine Iconic International Visitors Destination	1,137		1,137													1,137	0	1,137
Rural Enterprise Fund	1,000		1,000													1,000	0	1,000
Opportunity Street	726		726													726	0	726
Llandeilo Market Hall	1,600	700	2,300	963	700	1,663										2,563	1,400	3,963
Glanaman Industrial Estate	547		547	300		300										847	0	847
Cross Hands Phase 2	985		985													985	0	985
City Deal - Wellness Village ***	0	8,100	8,100		17,800	17,800		14,100	14,100							0	40,000	40,000
City Deal - Llanelli Leisure Centre	14,000	3,500	17,500		1,000	1,000										14,000	4,500	18,500
City Deal - Llanelli Area Review	6,715		6,715	158		158										6,873	0	6,873
City Deal - Yr Egin Phase II ***																		

COUNCIL FUND	Current Programme												Five Year Total					
	Year 1			Year 2			Year 3			Year 4			Year 5			Five Year Total		
	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	County Council Funding	External Funding	Total
	2020/21			2021/22			2022/23			2023/24			2024/25			Five Year Total		
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>County Council Funding</b>																		
Borrowing - Supported	5,909			5,909			5,909			5,909			5,909			29,545		
Borrowing - Unsupported	500			500												1,000		
Borrowing - Unsupported For Loan to CWM	600															600		
Borrowing - MEP	4,987															4,987		
Borrowing - Fleet Replacement	366			6,380			1,980			1,000			1,000			10,726		
General Capital Grant (Additional)	1,319															1,319		
General Capital Grant	4,606			4,606			4,606			4,606			4,606			23,030		
Capital Receipts	4,100			1,500												5,600		
Reserves - General	29,945			38			37			473			2			30,495		
Reserves - MEP	0			7,951			3,799			250						12,000		
Economic Stimulus Grant (CGU)	600			722												1,322		
Joint Venture Funding Llanelli Leisure Centre	3,500															3,500		
Direct Revenue Financing	600			600												1,200		
Carms West School - s106	531															531		
<b>Total County Council Funding</b>	<b>57,563</b>			<b>28,206</b>			<b>16,331</b>			<b>12,238</b>			<b>11,517</b>	<b>0</b>		<b>125,855</b>		
<b>External Funding Total</b>		<b>48,830</b>			<b>45,117</b>			<b>28,675</b>			<b>3,200</b>			<b>3,000</b>			<b>128,822</b>	
<b>Net Funding Position - Surplus / (Shortfall)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**RESERVE LIST (HIGH & MEDIUM PRIORITY)**

**Appendix B**

<b>COUNCIL FUND</b>	<b>Year 1</b>			<b>Year 2</b>			<b>Year 3</b>			<b>Year 4</b>			<b>Year 5</b>			<b>Five Year Total</b>		
	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	County Council Funding	External Funding	Total
	<b>2020/21</b>			<b>2021/22</b>			<b>2022/23</b>			<b>2023/24</b>			<b>2024/25</b>			<b>Five Year Total</b>		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>HIGH Priorities :</b>																		
Disabled Facility Grants Year 5													2,600		2,600	2,600		2,600
Highways Infrastructure - Bridges	900		900	900		900	900		900	900		900	2,500		2,500	6,100		6,100
Tywi Valley Path	5,500		5,500	2,500		2,500	2,000		2,000	1,000		1,000	500		500	11,500		11,500
Walking & Cycling Linkages	250		250	200		200	200		200	200		200	200		200	1,050		1,050
Waste Treatment Disposal Facilities				350		350	600		600	250		250	250		250	1,450		1,450
St Clears LC upgrade	1,000		1,000	1,000		1,000							500		500	2,500		2,500
Cwm Infrastructure Loan				300		300	450		450	250		250	250		250	1,250		1,250
Rights of Way (PROW) Structures & Bridges				200		200	200		200	200		200	200		200	800		800
Capital Maintenance Year 5													5,000		5,000	5,000		5,000
Band B Internal Funding													17,150		17,150	17,150		17,150
<b>Total High Priority</b>	<b>7,650</b>	<b>0</b>	<b>7,650</b>	<b>5,450</b>	<b>0</b>	<b>5,450</b>	<b>4,350</b>	<b>0</b>	<b>4,350</b>	<b>2,800</b>	<b>0</b>	<b>2,800</b>	<b>31,150</b>	<b>0</b>	<b>31,150</b>	<b>51,400</b>	<b>0</b>	<b>51,400</b>
<b>MEDIUM Priorities :</b>																		
Emergency Repairs Assistance (ERA)	200		200	200		200	200		200	200		200	200		200	1,000		1,000
Amman/ Gwendraeth Empty Properties Grants	500		500	500		500										1,000		1,000
Llandovery Swimming Pool - Health & Fitness Provision	350		350													350		350
Cross Hands Health & Wellbeing Centre - Community Library Facility				120		120				400		400				520		520
Street Lamp Replacement programme				200		200	200		200	200		200	200		200	800		800
Ammanford Distributor Road Phase 2						0							850		850	850		850
Highway Junction Improvements/Signals Upgrade	40		40	40		40	40		40	25		25	200		200	345		345
Capital Maintenance Years 1-4	2,100		2,100	2,100		2,100	2,100		2,100	2,000		2,000				8,300		8,300
Acquisition of Leasehold interest - The HWB - 36 Stepney St Llanelli	125		125													125		125
Transformational Strategy Project Fund						0			0	1,500		1,500	5,000		5,000	6,500		6,500
Rural Enterprise Fund							1,000		1,000				1,000		1,000	2,000		2,000
Transformation Commercial Property Development Fund				1,500		1,500							1,500		1,500	3,000		3,000
<b>Total Medium Priority</b>	<b>3,315</b>	<b>0</b>	<b>3,315</b>	<b>4,660</b>	<b>0</b>	<b>4,660</b>	<b>3,540</b>	<b>0</b>	<b>3,540</b>	<b>4,325</b>	<b>0</b>	<b>4,325</b>	<b>8,950</b>	<b>0</b>	<b>8,950</b>	<b>24,790</b>	<b>0</b>	<b>24,790</b>
<b>Total High/Medium Priority</b>	<b>10,965</b>	<b>0</b>	<b>10,965</b>	<b>10,110</b>	<b>0</b>	<b>10,110</b>	<b>7,890</b>	<b>0</b>	<b>7,890</b>	<b>7,125</b>	<b>0</b>	<b>7,125</b>	<b>40,100</b>	<b>0</b>	<b>40,100</b>	<b>76,190</b>	<b>0</b>	<b>76,190</b>

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# CAPITAL STRATEGY

2020 - 2021

[carmarthenshire.gov.wales](http://carmarthenshire.gov.wales)

Cyngor **Sir Gâr**  
**Carmarthenshire**  
County Council



Page 193

# CAPITAL STRATEGY 2020-21

## 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 shows 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

It 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 and other stakeholders 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 also highlights the governance framework required to ensure the Strategy is delivered.

## 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. Owing to the pressure on public finances, the funds allocated to this council to run its services from the Welsh Government’s is substantially lower than in recent years. 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 plans.

## CARMARTHESHIRE’S STRATEGIC RESPONSE

In considering capital implications, the authority takes into consideration the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Act requires that we must carry out unsustainable development, improving the economic, social environmental and cultural well-being of Wales. The it 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. Consideration is also increasingly given to the authority's *Net Zero Carbon Plan*.

### **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 treated as capital, if 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 (funds raised from the sale of surplus assets e.g. a former school site) or by spreading the cost over future years' revenues (i.e. Borrowing).

### **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 enough 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,

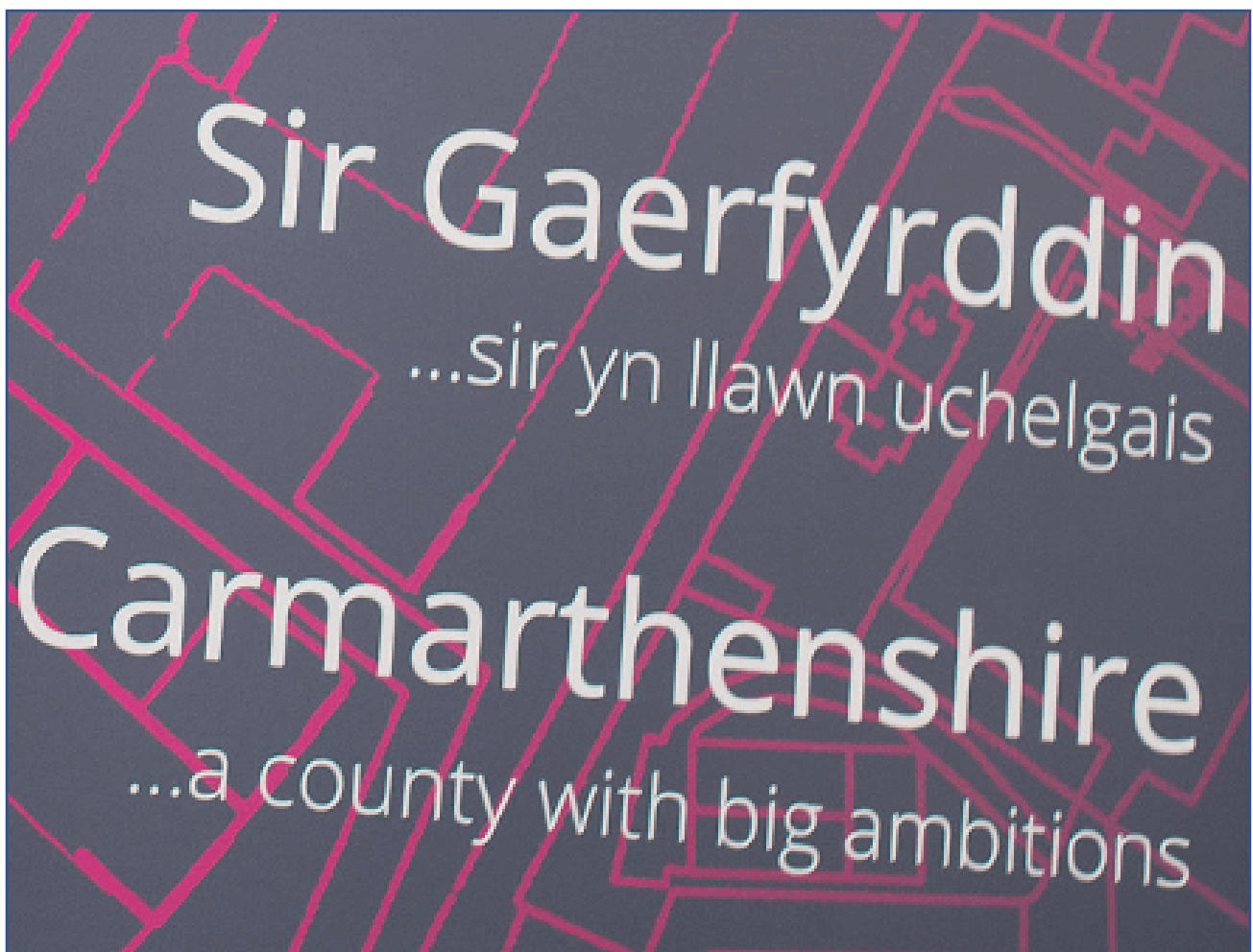
- A clear framework for making capital expenditure decisions is provided,
- A corporate approach to generating capital resources is established,
- Access to enough long-term assets to provide services are acquired and retained,
- Invest to Save initiatives to make efficiencies within the Council's revenue budget are encouraged,
- An appraisal and prioritisation process for new schemes is robust.

### **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.



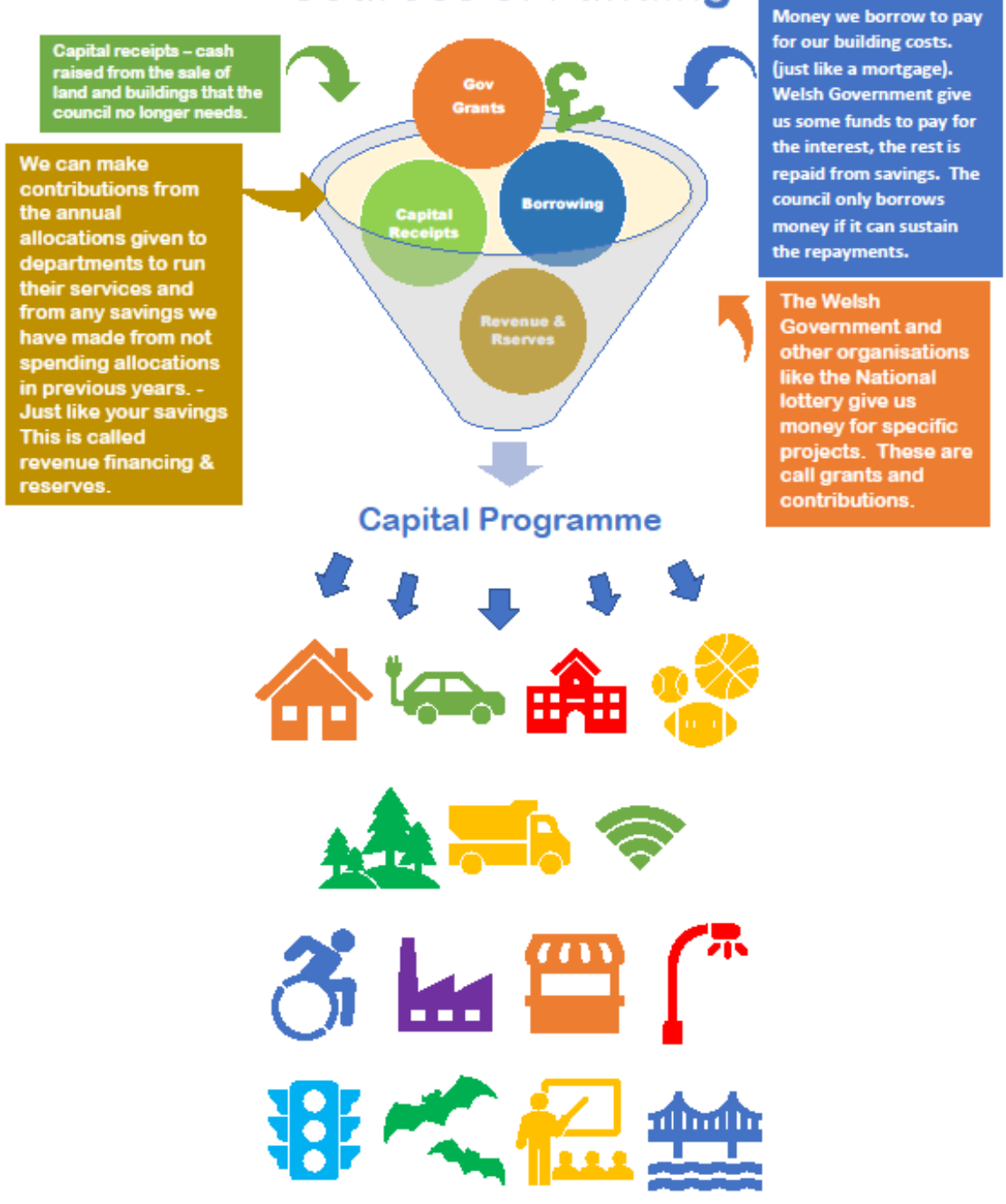


# How it all works



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.

# Sources of Funding



## OVERVIEW OF CAPITAL PROGRAMME (excluding HRA)

Capital Budgets by Department:	2020/21 £'000	2021/22 £'000	2022/23 £'000
Communities	5,600	3,317	2,000
Environment	12,381	14,665	8,092
Education & Children	38,866	27,886	16,114
Chief Executive	1,700	2,275	200
Regeneration	13,531	6,222	4,500
City Deal Projects	34,315	18,958	14,100
<b>Total Budget</b>	<b>106,393</b>	<b>73,323</b>	<b>45,006</b>

Financed by:	2020/21 £'000	2021/22 £'000	2022/23 £'000
Borrowing	12,362	12,789	7,889
Unhypothecated General Capital Grants	5,925	4,606	4,606
External Grants & Contributions	48,830	45,117	28,675
Reserves	31,076	8,711	3,836
Direct Revenue Financing	600	600	0
Capital Receipts	7,600	1,500	0
<b>Total Funding</b>	<b>106,393</b>	<b>73,323</b>	<b>45,006</b>

## OUR PRIORITIES

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, including a new BMX track in

Pembrey. 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 refurbishments at the county museum at Abergwili, Parc Howard, 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 cultural learning and tourism resource is improved for residents and visitors and maintained for future generations.

### **Decarbonisation**

In a commitment to future generation we have provided funding of £500k for decarbonisation projects in addition to our plans to improve electric car charging infrastructure.

### **Highways**

The economic prosperity of our towns is enhanced by improvements to road infrastructure.

The new Carmarthen western link road has provided 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 continued 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 2020-2023 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 will have delivered 985 Affordable Homes by March 2020 against a target of 1000 by 2021. The Council is implementing 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 £50m in maintaining tenants’ homes over the next three years.

A local housing company, Cartrefi Croeso, was established in 2018 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 three key themes for future investment

which will include developing plans in relation to decarbonisation. These themes are:

- Supporting tenants and residents
- Investing in our homes and the environment include developing plans in relation to the decarbonisation
- Providing more homes.

### HRA CAPITAL SPENDING AND FUNDING

HRA Capital Budgets:	2020/21 £'000	2021/22 £'000	2022/23 £'000
Maintain the standard	12,255	10,471	9,459
Support Tenant and Residents	4,900	4,150	4,150
Provide more affordable homes	16,000	19,195	16,430
Support the delivery of CHS+	1,525	1,393	1,346
<b>TOTAL</b>	<b>34,680</b>	<b>35,209</b>	<b>31,385</b>

Financed by:	2020/21 £'000	2021/22 £'000	2022/23 £'000
Welsh Government Grant-MRA	6,120	6,120	6,120
Welsh Government Grant-IHP & Other	3,800	900	5,000
Direct Revenue Financing	10,000	10,000	13,281
Borrowing	14,760	18,189	6,984
<b>TOTAL</b>	<b>34,680</b>	<b>35,209</b>	<b>31,385</b>

### 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.

### **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 several indicators that enables the authority to assess affordability and prudence.

These indicators are included in the annual Treasury Management Policy and Strategy.

### **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 considering its 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.

### **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 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.

### **REVENUE IMPLICATIONS**

Serious consideration is given to the implications a project will have on the revenue budget, both in the short and long term. It may be that a scheme may produce savings in terms of ongoing maintenance in some instances. In

other cases, the scheme may enhance the level of service to our customers but could add to the maintenance requirements of the service in the long term, particularly in the case of additional assets. There may be a need to provide additional resources such as finance, personnel, property, or ITC equipment, or there may be efficiency savings.

### **KNOWLEDGE AND SKILLS**

The Capital and Treasury Management functions 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. The Council Members are involved at a very early stage of a project's life cycle and 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.

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**EXECUTIVE BOARD  
24<sup>TH</sup> FEBRUARY 2020**

**Housing Revenue Account Budget 2020/21 to 2022/23 and  
Housing Rent Setting for 2020/21  
Revenue and Capital**

**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 Social Housing Rents Policy.
  - a. Properties at target rents will increase by 2.53% and
  - b. Properties where rent is below target rent, rent will increase by 2.53% plus a maximum progression of £1.00
  - c. Those rents above target are frozen until such time that they meet the target.
  - d. This will produce an increase on the average housing rent of 2.7% or £2.36

**This will produce a sustainable Business Plan, maintain CHS+, resource our Affordable Homes programme and is supported by the CHS+ Steering Group.**

2. To implement maximum progression of £1.00, for rents below target, until target rents are achieved.
3. To maintain garage rents at £9.00 per week and garage bases at £2.25 per week.
4. To apply the service charge policy to ensure tenants who receive the benefit from specific services pay for those services.
5. To increase charges for using our sewerage treatment works in line with rent increases.
6. To approve the Housing Revenue Account Budget for 2020/21 (with 2021/22 and 2022/23 being soft budgets) as set out in Appendix B.
7. To 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.

**REASONS:**

To enable the Authority to set its Housing Revenue Account Budget and the Housing Rent levels for 2020/21.

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)

<p><b>Directorate: Corporate Services</b>  <b>Name of Director: Chris Moore</b></p> <p><b>Report Author: Andrea Thomas</b></p>	<p><b>Designations:</b>  <b>Director of Corporate Services</b></p> <p><b>Group Accountant</b></p>	<p><b>Tel No's / E Mail Addresses:</b>  <b>01267 224160</b>  <b>CMoore@carmarthenshire.gov.uk</b>  <b>01267 228742</b>  <b>AndThomas@carmarthenshire.gov.uk</b></p>
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**EXECUTIVE SUMMARY  
EXECUTIVE BOARD  
24<sup>TH</sup> FEBRUARY 2020**

**Housing Revenue Account Budget and Housing Rent  
Setting for 2020/21**

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 2020/21 to 2022/23. The report has been presented to the Community Scrutiny Committee on the 5<sup>th</sup> February 2020 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 2020/21.

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 2020/21.

Appendix A provides the proposed Capital Programme for 2020/23.

Appendix B of this report provides the proposed Revenue Account Budget for 2020/23.

The HRA budget for 2020/21 is being set to reflect:

- Social Housing Rent Policy set by Welsh Government (WG)
- Proposals contained in the Carmarthenshire Homes Standard *Plus* (CHS+)
- Affordable Homes Delivery Plan

**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
<b>NONE</b>	<b>NONE</b>	<b>YES</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

## 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 2020/21 with an expenditure level of £50.1M. The average rent will increase from £87.41 to £89.77 (2.7% or £2.36).

The proposed Capital Programme will be £34.7M for 2020/21 £35.2M for 2021/22 and £31.4M for 2022/23.

## 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

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# REPORT OF THE DIRECTOR OF CORPORATE SERVICES

## EXECUTIVE BOARD

24<sup>th</sup> FEBRUARY 2020

### HOUSING REVENUE ACCOUNT AND HOUSING RENT SETTING 2020/21

#### - 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 2020/21 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 5<sup>th</sup> February 2020 as part of the budget consultation process. The views expressed by Community Scrutiny are attached to this report (Appendix C) for Executive Board's consideration when they set the 2020/21 HRA budget and Housing Rents.

1.2. The HRA budget for 2020/21 is being set to reflect:

- Welsh Government's Policy for Social Housing Rents (Rent Policy) issued 18/12/2019, incorporating the recommendations of the Independent Affordable Housing Review Panel.
- Proposals contained in the Carmarthenshire Homes Standard *Plus* (CHS+)
- Affordable Homes Delivery Plan

**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, which allows Local Authorities more flexibility in the management of their stock going forward.

Part of the agreement to exit included LAs with retained stock were required to adopt the new Social Housing Rents Policy set by the Welsh Government (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 4 years from 2015/16 to 2018/19. WG provided an interim policy for 2019/20 while they await the results of the Affordable Housing Supply Review. The result of this review was to retain the existing policy for a further 5 years with some additional/amended requirements. The policy will be applied to all our social housing including new build, properties bought from the private sector as well as our existing stock. Below are the main points detailed in WG letter:-

- An annual rent uplift (total rent envelope) of up to CPI+1%, each year for 5 years from 2020-21 to 2024-25 using the level of CPI from the previous September each year. September 2019 was 1.7%.
- CPI+1% will be the maximum increase allowable in any one year but CPI+1% must not be regarded as an automatic uplift to be applied by social landlords. Landlords decisions on rent should take into account the affordability of rents for tenants as set out below.
- The level of rents for individual tenants can be reduced or frozen or can rise by up to an additional £2 over and above CPI+1%, on condition that total rental income collected by the social landlord increases by no more than CPI+1%. This provision is designed to enable social landlords to restructure rents payable where necessary. However, the freezing or reducing of rents will only apply to local authorities who have the scope to do so within their target rent band and they continue to comply with the social housing rent policy.



- Should CPI fall outside the range of 0% to 3%, the Minister with responsibility for housing will determine the appropriate change to rent levels to be applied for that year only.
- Social landlords should advise the Welsh Government where they have concerns about the impact that rent policy has upon their business plan or financial viability, or on their ability to meet their obligations to tenants and lenders.
- As an intrinsic part of the five year rent policy, social landlords will be expected to set a rent and service charge policy which ensures that social housing remains affordable for current and future tenants. As part of their annual decision on the level of rent uplift/reduction to be applied they should make an assessment of cost efficiencies, value for money and affordability for tenants which should be discussed at the Board/Cabinet/Council.

The letter also refers to shortage of social housing and the need to build homes near carbon zero and decarbonisation of existing stock. WG want LA's to consider the "whole cost of living in a property", looking at not only rent and service charges but energy costs also in order to reduce the financial burden on tenants. In recognition of the greater stability and certainty due to the rent policy WG also want to strengthen joint working with LA's in a wider rental agreement. WG also want LA's to produce annual assessments of affordability, value for money and demonstrate finding efficiencies as part of monitoring compliance.

#### **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 £49M will have been spent on maintaining the standard and £36M on providing additional affordable homes in the HRA by the end of 2019/20.

The (CHS+) Business Plan 2020-23 highlights the approach that will be taken over the next three years and will be presented by the Head of Homes and Safer Communities in this meeting. It includes further investment over the next 3 years of £49million to maintain the CHS+ and £52million 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. Land sales are scrutinised on an individual basis, decisions on sale/retention depend on housing demand 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.

## 1.5 Decarbonisation

WG ministers commissioned a report “Better Homes, Better Wales, Better World”. The report recommended that “Political parties in Wales should make a strategic commitment to national residential decarbonisation and stick to it.”

This included “setting ambitious energy targets for homes to achieve net zero carbon by 2050”

This will have a significant impact on future investment plans.

The CHS+ business plan details our proposed approach to decarbonisation of our HRA stock headlines include :-

- Make Fabric Energy Efficient
- Monitoring, Evaluation, Development, Training, Skills through using research, smart technologies etc.
- Reduce Demand through working with tenants
- Off Grid Solutions – Decarbonise Supply by harnessing the natural environment.

## 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 2/12/19 for 2020/21) requires submission of a viable plan by 31/03/2020.

Underpinning the CHS(+) Business Plan is the 30 year financial model which has many assumptions including:

- **Rents** The WG 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 2020/21 has been notified as 2.7%.
- **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 £6.1million for 2020/21.

- **Capital Receipts** We have suspended our Right to Buy for tenants (WG has also subsequently suspended RTBs) so there are no planned receipts from sales of houses. The programme of land sales is now reviewed on an individual parcel basis. 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.
- **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 £139k based on an interest rate of 0.75% (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 was 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. We are therefore now developing the New Build programme with a greater number of schemes being commissioned and developed by the Council internally, e.g. Glanmor Burry Port and Maespiode, Llandybie.

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 line with the Business Planning guidance.

#### **Maintenance and Stock Improvement**

Revenue repairs and maintenance expenditure is forecast to be £11.3million in 2020/21. This is an increase on the 2019/20 budget (£10.3million) which reflects local building costs, forecast outturn for 2019/20 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 2020/21 the capital programme to maintain the CHS (+) is £18.4million. This gives an overall spend of £29.7million on stock improvement and maintenance (the total for 2019/20 was £25.7million). This includes increasing capital resources available for works relating to structural works on estates (£1million), roofing works (£0.3million), investment in sheltered schemes (£1.5million), risk reduction measures (£0.35million) and boiler replacements (£0.6million). This will be further informed by stock condition data which will be gathered in 2020/21.

#### **Affordable Housing Commitment**

Housing Finance Grant (HFG2) funding for new affordable housing ended in 2019/20. This funding was provided as a revenue source, requiring the authority to borrow the money and WG repaying the capital charges. It effectively supported £4.6million of capital expenditure. We will be receiving a specific grant to support our new build scheme at Gwynfryn totalling £4.7million as part of Innovative Housing Programme. We will also be bidding for any other additional resources available to support our Affordable Homes delivery. WG are yet to confirm the details of additional/alternative funding for delivering more Affordable homes but a working group has been established.

We have set aside £52million over the next three years as part of the capital programme to increase the supply of affordable homes. Within 2020/21 £16million has been identified for the Delivery Plan (including development costs).

The capital programme and funding sources for this programme up to 2022/23 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 +2.75% (average)
- general inflation has been accommodated at +2.1%
- Electricity +5.1%, gas +5.3%, oil +5.2%.
- Increased pension costs from 18% to 18.19%

## **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 2022/23 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 WG policy ended in 2018/19.

A one year policy of maximum of CPI only was issued by WG for 2019/20.

However as outlined in Paragraph 1.3 above, WG have now re-confirmed the original policy with increases in rent being CPI plus 1% for the next 5 years (subject to certain parameters).

Setting at a lower level than CPI + 1% rent increase, will impact on the current proposed Business Plan.

Carmarthenshire's current average rent for 2019/20 is £87.41 per week, which leaves us between the low-end WG target rent level of £86.67 and the mid-point target £91.23. Housing Association rents in Carmarthenshire average £93.52 for 2019/20. In the private sector median rents for 2 bedrooms are £110 and 3 bedrooms are £126 as at October 2019. At the present time there are 2 homes above target rent, 2500 homes below this level with the remainder at target rent.

When setting rents for 2020/21 the WG policy will need to be applied.

## 4.2. Target Rents for Carmarthenshire

Target rents and forecast rents for 2020/21 are set out overleaf:-

	Houses and Bungalows (£)					Flats(£)				Bedsits (£)
	1Bed	2Bed	3Bed	4Bed	5+Bed	1Bed	2Bed	3Bed	4+Bed	
<b>Target Rent (mid-point) 2020/21 as notified by WG</b>	84.32	93.69	103.06	112.43	121.79	76.29	84.76	93.24	101.72	67.81
<b>Actual Rent 2020/21 with 2.7% increase</b>	81.30	90.33	99.36	108.39	117.44	73.54	81.74	89.90	98.08	65.38

WG policy rent band, 2020-21		
Low end	Mid point	High end
(£ per week)	(£ per week)	(£ per week)
89.67	94.39	99.11

For Carmarthenshire our average target rent for 2020/21 is £94.39 (mid point) with the all Wales average being £98.79 .Carmarthenshire's 2019/20 actual rent is the 2nd lowest of eleven stock retaining authorities at £87.41

WG have advised LA's that a 2.7% increase should be the maximum applied in 2020/21. The lowest increase possible (incorporating a £1 progression) while complying with the policy of remaining within the target rent band is 2.43%.

#### 4.3.

Implementing the 2.7% overall increase for Carmarthenshire and implementing rental progression of £1, has the following impact :

For those properties at target rent the increase will be:-

**Consumer Price Index(CPI for Sept 2019) @1.7%+0.83% = 2.53%**

For those properties where rent is below target rent, the increase can be:

**Consumer Price Index (CPI for Sept 2019 @ +1.7%)+0.83% = 2.53%**

**plus a maximum of £1 progression in order to achieve an average rent increase of 2.7%.**

Those rents above target are frozen until such time that they meet the target, there are only 2 of these properties remaining. When a property becomes empty it is placed in the target rent band.

**Based on applying the above for 2020/21 at 2.7% rent increase this would produce an average rent of £89.77 (increase of £2.36).**

Details of the rent increases on individual households are below :-

Receive an increase of :-	2.7% increase
No increase	2
up to £1.00	9
£1.00 to £1.99	1,101
£2.00 to £2.99	5,677
£3.00 +	2,409
	9,200

Table : No .of Householders affected by average increases.

There are just under 1200 tenants who are now in receipt of universal credit (13% of our tenants). 33% of tenants are on full Housing Benefit (HB), 23% are on partial HB and 31% receive no HB.

The proportion of dwellings below target rents is 27% as a result of the £1 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.

#### **4.4. 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..

#### **4.5. 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.

#### **4.6. 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 2020/21 that current charges are increased as per our rent increase.

#### **4.7. 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 £15,300 per annum) by reducing their water bills by nearly £200 per annum. The value of support also depends on number of residents per dwelling.

#### **4.8. 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. For Carmarthenshire, it was introduced in December 2018. We currently have nearly 1,200 tenants on Universal Credit. This is a fifth of our working age tenancies.

We anticipate, unless things change, that a further 4,000 tenants could transfer over the next two to three years. From a business point of view, evidence from other social housing providers 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.



To date, there has only been a slight increase in rent arrears overall. This is lower than we had been expecting and certainly compares very favourably with the experience of other social housing providers.

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.** Responsibility for setting adequate level of balances sits with the section 151 officer. In recent years we have carried relatively higher balances to ensure we had the capacity for the funding required for the business plan while implementing the CHS+. With the main work on our stock now complete and a clear direction in respect of our Affordable Housing Strategy it is felt that it is prudent to stabilise these balances as part of the forward plan.

It is felt that in the current challenging and changeable financial climate a prudent and realistic level would be £400-£500 per property (approx. £4M) as we aim to deliver more affordable homes as well as maintain the CHS+. If a rental increase is set at 2.7%, the overall proposed budget will result in a deficit on the Housing Revenue Account of £5.4million for the year, with the balances falling to £4.8m over the three years. 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**

- **To increase average housing rent as per WG Social Housing Rents Policy.**
  - Properties at target rents will increase by 2.53% and
  - Properties where rent is below target rent, rent will increase by 2.53% plus a maximum progression of £1 per week
  - Those rents above target are frozen until such time that they meet the target.
  - This will produce an increase on the average housing rent of 2.7% (CPI +1%) or £2.36

- **This will produce a sustainable Business Plan, maintain CHS+, resource our Affordable Homes programme and is supported by DCHS Steering Group.**
- **To maintain garage rents at £9.00 per week and garage bases at £2.25 per week.**
- **To implement maximum progression of £1, for rents below target, until target rents are achieved.**
- **To apply the service charge policy to ensure tenants who receive the benefit from specific services pay for those services**
- **To increase charges for using our sewerage treatment works in line with rent increase.**
- **To approve the Housing Revenue Account Budget for 2020/21(with 2021/22 and 2022/23 being soft targets) as set out in Appendix B**
- **To approve the proposed Capital Programme and applicable funding for 2020/21 and the indicative spends for the future years 2021/22 and 2022/23 as set out in Appendix A**

**Appendix A**

**Department for Communities**

**Homes and Safer Communities**

**HRA - Capital Programme Budget 2020/21 - 2022/23**

<b>CAPITAL SPENDING TO:-</b>	<b>Budget 2020/21 (£000s)</b>	<b>Budget 2021/22 (£000s)</b>	<b>Budget 2022/23 (£000s)</b>
<b>Maintain the standard:</b>			
Internal works - kitchens, bathrooms, electrics, heating	1,263	1,248	1,300
EWI, Render and Fascia (inc. gardens)	2,756	2,500	2,500
Roofing	1,800	1,680	1,764
Structural works - Estates and boundary walls (inc. identified structural works)	1,435	785	170
Voids and Major Works to homes	3,000	2,500	2,000
External Works	180	150	150
Works to deliver decarbonisation	1,671	1,458	1,425
Decants	150	150	150
<b>Support Tenant and Residents:</b>			
Sheltered Scheme Investment	3,020	2,270	2,270
Adaptations	1,500	1,500	1,500
Environmental works	380	380	380
<b>Provide more affordable homes:</b>			
Housing Development Programme	16,000	19,195	16,430
<b>Support the delivery of CHS+:</b>			
Programme management	643	656	669
Stock condition information	100	100	100
Risk Reduction Measures	598	417	417
Sewerage treatment works & associated costs	184	220	160
<b>TOTAL</b>	<b>34,680</b>	<b>35,209</b>	<b>31,385</b>

<b>CAPITAL FUNDING FROM:-</b>	<b>Budget 2020/21 (£000s)</b>	<b>Budget 2021/22 (£000s)</b>	<b>Budget 2022/23 (£000s)</b>
Welsh Government Grant - MRA	- 6,120	- 6,120	- 6,120
Welsh Government Grant - IHP & other	- 3,800	- 900	- 5,000
Direct Revenue Financing	- 10,000	- 10,000	- 13,232
External Borrowing	- 14,760	- 18,189	- 7,033
	- 34,680	- 35,209	- 31,385

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Department for Communities  
Homes and Safer Communities  
Housing Revenue Account 2020/21 - 2022/23  
Appendix B

REVENUE SPENDING TO:	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)	Budget 2022/23 (£000s)
Repair and maintain homes	9,597	9,725	9,857
Supervision and management	11,733	11,967	11,975
Support services e.g. legal and finance	1,681	1,714	1,749
Provision for Bad debts	514	524	535
Direct Revenue financing	10,000	10,000	13,232
Capital charges	16,622	16,288	16,918
<b>TOTAL</b>	<b>50,147</b>	<b>50,219</b>	<b>54,265</b>
REVENUE FUNDING FROM:	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)	Budget 2022/23 (£000s)
Tenant rents	42,180	43,737	45,131
Service charges	770	788	810
Interest received	139	107	66
Housing Finance Grant 2	246	246	246
Water rates commission	401	401	401
Grants / Other	999	1,012	1,024
<b>TOTAL</b>	<b>44,735</b>	<b>46,292</b>	<b>47,678</b>

<b>Surplus/(Deficit in year)</b>	<b>- 5,412</b>	<b>- 3,928</b>	<b>- 6,587</b>
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HRA END OF YEAR POSITION:	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)	Budget 2022/23 (£000s)
Balance brought forward from last year	- 20,748	- 15,336	- 11,408
HRA budgeted surplus (-)/ deficit (+)	5,412	3,928	6,587
Balance Carried Forward	- 15,336	- 11,408	- 4,821

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## APPENDIX C

### COMMUNITY SCRUTINY COMMITTEE

Wednesday, 5 February 2020

#### 4. HOUSING REVENUE ACCOUNT BUDGET AND HOUSING RENT SETTING FOR 2020/21

The Committee considered the Housing Revenue Account (HRA) Budget and Housing Rent Setting for 2020/21, being presented as part of the budget consultation process that brought together the latest proposals contained in the revenue and capital budgets for the Housing Revenue Account 2020/23 to be presented to the Executive Board and Council for determination.

The Director of Corporate Services advised that the report had been prepared reflecting the latest proposals contained within the Housing Revenue Account Business Plan, being the primary financial planning tool for delivering and maintaining 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 the tenants agreed to have work undertaken) provided investment to maintain CHS+ and continued investment for the Authority's Affordable Homes Commitment.

The Director of Corporate Services reminded the Committee that with regard to the setting of the Housing Rents, the Authority had, on the 24<sup>th</sup> February 2015, adopted the Welsh Government's Social Housing Rent Policy for the four year period ending in 2018/19. For 2019/20, the Welsh Government had provided an interim policy while it awaited the results of the Affordable Housing Supply Review.

Following that review, the Welsh Government had decided to retain the policy for a further 5 year period from 2020/21 – 2024/25 with some additional/amended requirements with the annual rent uplift for the revised period being CPI (Consumer Price Index) plus 1%, using the level of CPI from September of the previous year. In applying that policy for 2020/21 the Welsh Government had notified local authorities in December 2019 that the increase in target rent would equate to CPI of 1.7% plus 1% totalling 2.7%, and for those below the target rent, a maximum of £2 per week increase could be applied until the target rent was reached. However the total rent envelope would increase by a maximum of 2.7% (£2.36) from £87.41 to £89.77.

The Director of Corporate Services advised that if the Committee was to endorse the budget proposals the 2020/21 Housing Revenue Account would have an expenditure level of £50.1m with the capital programme being £34.7m for 2020/21, £35.2m for 2021/22 and £31.4m for 2022/23

The following issues were raised in relation to the report:-

- The Director of Corporate Services confirmed the use of CPI in calculating rent increases was set by the Welsh Government and local authorities had no discretion in varying that to apply the Retail Price Index in lieu.
- In response to a question on the introduction of Universal Credit and its

impact on rent arrears, the Head of Homes and Safer Communities advised there had only been a slight increase in rent arrears overall, which was lower than had been expected and compared favourably with other social housing providers. To date, 1200 tenants had transferred to Universal Credit, with a further 4,000 anticipated over the next four years. He confirmed the authority did not implement its arrears policy for any tenants falling into arrears during the transition period to Universal Credit, in view of the fact the initial payment could take up to five weeks.

The Director of Corporate Services referred to the transfer of benefit claimants to Universal Credit and advised that pensioners were exempted from the legislation and would continue to receive their existing benefits.

- In response to a question on the level of rental income for the Council's garages stock, the committee was advised that it equated to approximately £125k per annum. The Council had approximately 160 garage sites and each of those was being evaluated to assess their future best options which could include repairs, demolition and conversion to parking spaces and disposal.
- With regard to a question on the current void loss of 2.7% the Head of Homes and Safer Communities advised that performance was similar to other local authority and social housing providers. Whilst the top performers were achieving 1.6%, that was mainly achieved by social housing providers whose stock was younger than local authorities.

He advised although the authority had a number of long term voids, it had set aside funding to address those. Once brought back into use, it was anticipated void losses would reduce.

The Head of Property in response to the difficulties previously reported to the Committee on the capacity of external contractors to undertake void works, confirmed discussions had been initiated with contractors to increase their capacity to undertake the works. He also advised on the existing and new contractor frameworks that involved awarding works in packages of between 10 and 20 properties. Those properties could either be confined to one region or spread throughout the county. The time period for completing a package depended on the level of works required.

- The Acting Investment and Income Manager referred to the Welsh Government's requirement for local authorities to build homes near carbon zero and to decarbonise its existing stock. She advised that whilst the Council's new build properties would be highly efficient, the council's existing stock of over 9,500 properties would require a range of options to reduce their carbon footprint. In that regard, the authority, in conjunction with Cardiff University was evaluating a sample model of six properties with differing tenant ranges in terms of age and occupancy levels to assess their lifestyles and energy usage. The results of that model would help inform future policy to improve stock performance.



**UNANIMOUSLY RESOLVED THAT IT BE RECOMMENDED TO THE EXECUTIVE BOARD/COUNCIL:-**

- 4.1 to increase the average housing rent as per the Welsh Government's Social Housing Rents Policy i.e.:-**
- **Properties at target rents to increase by 2.53%**
  - **Properties where rent was below target rent to increase by 2.53% plus a maximum progression of £1 per week**
  - **Properties above target rent be frozen until such time as they met the target**

**thereby producing an average housing rent increase of 2.7% (CPI + 1%) or £2.36, producing a sustainable Business Plan, maintains CHS+ and resourcing the Affordable Homes Programme, as supported by the Carmarthenshire Home Standards Steering Group;**

- 4.2 To maintain garage rents at £9.00 per week and garage bases at £2.25 per week**
- 4.3 To implement a maximum progression of £1, for rents below target rent, until target rents were achieved.**
- 4.4 To apply the service charge policy to ensure tenants who received the benefit from specific services paid for those services**
- 4.5 To increase charges for using the Council's sewerage treatment works in line with the rent increase.**

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## EXECUTIVE BOARD 24<sup>TH</sup> FEBRUARY 2020

### **SUBJECT:** **THE CARMARTHENSHIRE HOMES STANDARD PLUS (CHS+)** **Business Plan 2020-23**

#### **Purpose:**

- To explain the vision and detail of the Carmarthenshire Homes Standard Plus over the next three years, and what it means for tenants;
- To set out our 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;
- 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 2020/21, equating to £6.1m.

#### **Recommendations/key decisions required:**

1. To confirm the vision of the CHS+ and the financial and delivery programme over the next three years.
2. To confirm the submission of the 2020/2023 Business Plan to Welsh Government.
3. To note our 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.

#### **Reasons:**

- To continue our CHS+ vision to deliver what really matters to tenants;
- To continue to support tenants by maintaining the standard and accelerate how we approach the decarbonisation agenda. This will allow the further evolution of the CHS+ and what it will look like to be fit for the future. An overall investment of £49m is planned over the next three years;
- To build on our successful Affordable Homes Plan to provide more good quality low-cost homes. The investment, already confirmed, will be targeted at those households most in need, which over the three years of this plan will be nearly £52m;
- To link our housing investment programme with wider regeneration initiatives with a real focus on developments in the Tyisha ward, the Wellness Village, Town Centres and key rural towns;
- To make members' aware that the delivery of the Plan is dependent on an average rent increase of 2.7% for 2020/21; and
- To enable submission to the WG to access £6.1m of MRA for 2020/21.

Relevant Scrutiny Committee to be consulted: YES – Community Scrutiny –  
5<sup>th</sup> February, 2020

**EXECUTIVE BOARD/COUNCIL/COMMITTEE:**

**Scrutiny Committee recommendations/Comments:**

- Resolved to recommend to the Executive Board that the Carmarthenshire Homes Standard Plus (CHS+) Business Plan 2020-23 be endorsed.

Executive Board Decision Required: Yes- 24<sup>th</sup> February 2020

Council Decision Required: Yes- 3<sup>rd</sup> March 2020

**EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:-**

Cllr. Linda Evans (Housing Portfolio Holder)

Cllr Hazel Evans (Environment Portfolio Holder)

Cllr David Jenkins (Resources Portfolio Holder)

<b>Directorate:</b> Communities	<b>Designations:</b>	<b>Tel Nos./ E Mail Addresses:</b>
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# EXECUTIVE SUMMARY EXECUTIVE BOARD 24<sup>TH</sup> FEBRUARY 2020

## **SUBJECT: THE CARMARTHENSHIRE HOMES STANDARD *PLUS* (CHS+) Business Plan 2020-23**

### **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 confirm the financial profile, based on current assumptions, for the delivery of the CHS+ over the next three years.
- To produce a business plan for the annual application to Welsh Government for Major Repairs Allowance (MRA) for 2020/21, 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. Most importantly, however, we want to during 2020-21 evolve our CHS+ standard and plans in order that they continue to be fit for purpose for the long-term future.

This will mean tenants benefiting from homes that are carbon friendly, cheap to run and are flexible enough to cater for changing circumstances throughout people's lifetimes. By working in partnership and engaging with existing and future tenants we intend 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”***

Our commitment to CHS+ remains firmly on track, building on what has already been achieved and trying to be as ambitious as we can. This plan sets out how we will do this, confirming the financial and delivery programme over the next three years.

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 £49m has been set aside to maintain the CHS+ for existing tenants over the next three years.

Additionally, through careful programme management and taking opportunities, we will be able to spend nearly £52m over the next three years on building more council homes. This programme will align with our wider housing investment programme linking in with regeneration initiatives. This will enable a real focus on the proposed developments in the Tyisha ward, the Wellness Village, Town Centres and key rural towns.

The plan provides 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 plan also highlights the importance of supporting tenants and residents in everything we do, and the three key themes that have been identified in terms of future investment. These are:

### **THEME 1 - 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. 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.

During the summer months we undertook a tenant satisfaction survey. In total, 2,087 tenants took part in the survey, which represented a 29% response rate overall. A quarter of the total number of responses was collected online (513), and 82 surveys were completed in Welsh (4%). The headline results were:

Tenant Satisfaction across the housing sector in Wales <sup>1</sup>				
Question? Satisfaction with:	Housing Assoc.	Voluntary Transfer	Retained Councils	CCC
service	90%	83%	78%	<b>82%</b>
repairs and maintenance	81%	78%	71%	<b>75%</b>
listening and acting on tenants' views	76%	73%	61%	<b>64%</b>

Actions will be developed to further improve satisfaction rates.

### **THEME 2- Investing in our Homes' and the Environment.**

In 2015 we achieved the CHS+ to homes where tenants have agreed to have work completed - well before WG's target of December 2020. However, we wish to do more to enable

<sup>1</sup> Welsh Government 2019

affordable warmth for our tenants. Our ambition to develop a new standard has the potential to be hugely transformative in terms of reducing carbon emissions but also; -

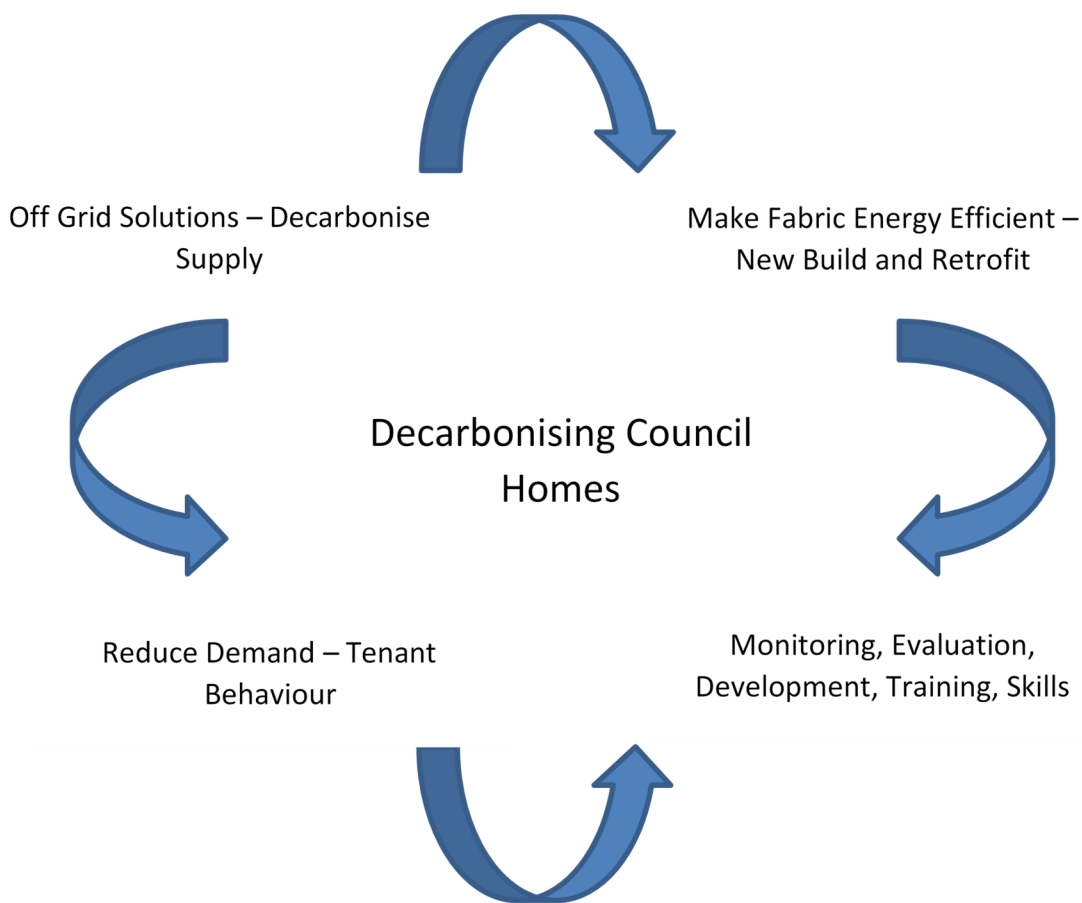
- Improve homes and health outcomes;
- Tackle fuel poverty; and
- Create jobs and training opportunities in some of our poorest communities.

We intend to engage with our existing and future tenants on our Decarbonising Council Homes plans and ensure they become fully involved. We want to maximise the impact of the Swansea Bay City Region Deal 'Delivering Homes as Power Stations' project by developing a model that could contribute to reducing CO2 emissions, enable affordable warmth, improve health outcomes and reduce the burden on social care and healthcare whilst developing a local supply chain.

We will work in partnership to develop and deliver the Decarbonising Council Homes Model which will seek to:

- Make the fabric of our existing and new homes energy efficient;
- Enable monitoring, evaluation, development, providing training and skills;
- Reduce demand by working with tenants to understand and change behaviour; and
- Harness off grid solutions utilising our natural environment such as wind and water.

### Carmarthenshire's Decarbonising Council Homes' model:



We are unsure of the exact value at this stage nor timescales. However, we do know that different models will be required for different homes in different locations – multiple solutions. The essential focus will be on cheaper energy, the infrastructure, retrofitting, and a 10-year plan tailored for Carmarthenshire. Mixed approach with a focus on monitoring. There is a need to include monitoring, evaluation and improvement in order to future proof the work.

The decarbonisation of Council Homes will not only provide affordable warmth for our tenants but will bring with it market confidence to develop and create jobs and employment for the local economy being a long term 30-year project. Creating a new local supply chain, with trusted local installers. We recognise the importance of communities and their role in changing behaviour, as Tenants' behaviours will affect everything we do.

To further develop the model and establish the appetite of the market we will carry out an Early Market Engagement (EME) exercise in 2020/21. This will inform us on how best to approach and deliver the project. We need to ensure that both our new build activities and retrofits of existing properties are cost effective and meet our ambitions and obligations related to climate emergency (in particular our commitment to becoming a net zero carbon local authority by 2030).

Whilst also meeting our ambitions to alleviate fuel poverty, support the vulnerable, develop the supply chain in terms of new technologies, and stimulate a sustainable local economy, ***we are also committing to planting a minimum of 1,000 new trees to offset our carbon footprint of building 1,000 new homes.***

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 £49m will be invested to maintain the CHS+ for existing tenants over the next three years.

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;



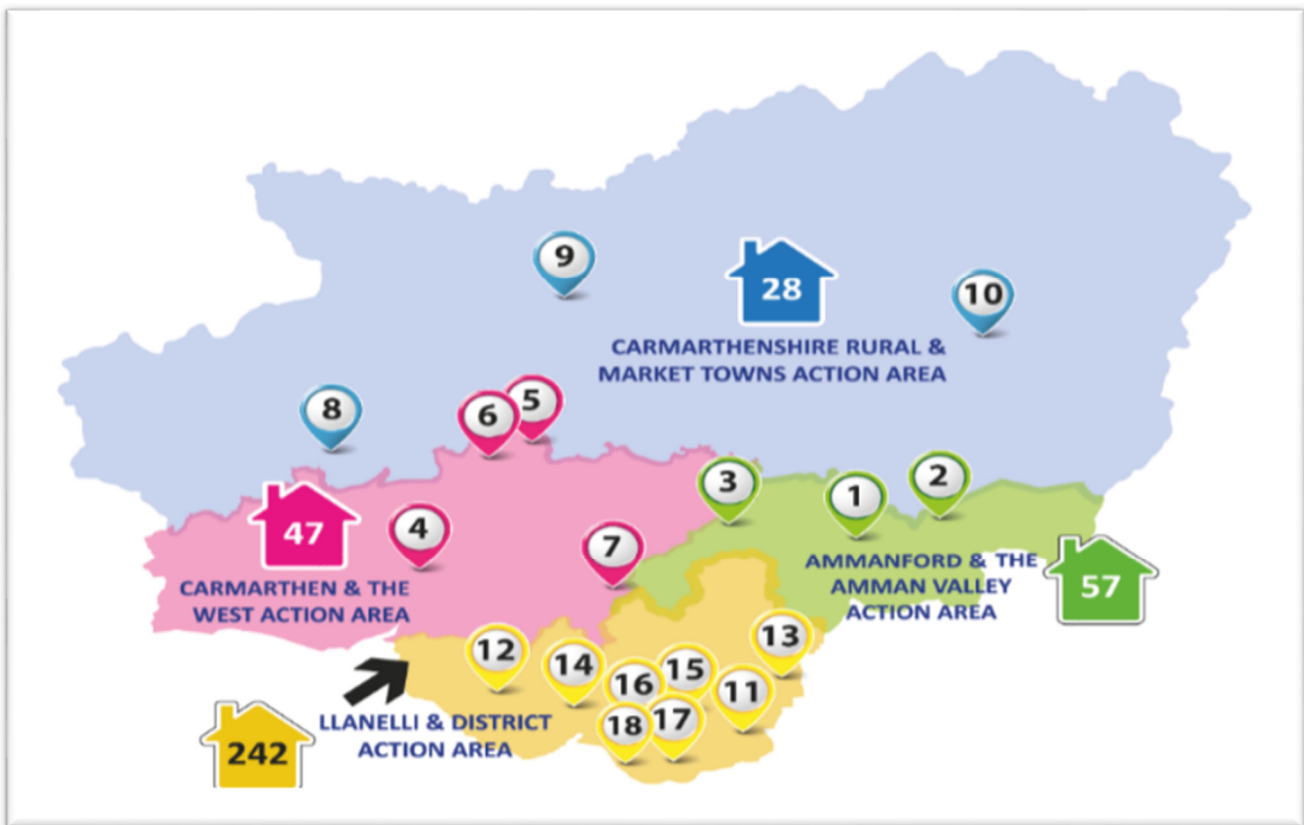
- Continue our approach to reviewing fire risk assessments for our purpose-built blocks of flats including sheltered schemes;
- Commence a programme of radon testing in all our properties located in areas where there is a higher probability of radon levels and act to reduce radon levels to as low as possible; and
- 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.
- Consider the requirements and options to develop independent and supported living at Delta Lakes, Llanelli, for rent and for sale. This will include options for older people with learning disabilities and older people living with mental health conditions;
- Engage with potential partners to develop a plan for new housing in the Tyisha ward, Llanelli which will result in significant tenure change. Undertaking focused activity to improve the street scene and respond to environmental issues;

### **THEME 3 - Providing more homes.**

Providing more affordable homes has been a key a strategic priority for the Council for a number of years. Our commitment to increasing the supply of affordable housing will ensure that we deliver the greatest increase in the number of Council homes in the county since the 1970's and return our housing stock levels to those last seen in the 1990's.

The first four years have been very successful with 985 additional affordable homes delivered, almost reaching our original target of 1000 homes by 2021, a year early. This includes the completion of our first Council new build development in Pembrey and the completion of phase 1 of our second development in Bynea.

In addition to this, we also published our first ambitious 10-year Council new build programme in September 2019. This programme will deliver over 900 new Council homes with an investment programme of nearly £150m. Our programme for the next 3 years, creating over 370 homes, is shown on the map over:



**MAP KEY**

1 - Gwynfryn, Ammanford	7 - Brynderi, Pontyates	13 - Llangennech
2 - Garnant	8 - Meidrim, Trelech*	14 - Pentref Gardd, Burry Port
3 - Nantydderwen, Drefach	9 - Land at Alltwalis School*	15 - Llanelli, Town Centre
4 - Maesgriffith, Llansteffan*	10 - Land opposite Llangadog School*	16 - Station Road, Llanelli
5 - Assisted Living Scheme	11 - Dylan, Bynea	17 - Assisted Living Scheme
6 - Carmarthen West	12 - Garreglwyd, Pembrey	18 - Wellness Village Llanelli (Assisted Living)
		* - Being developed by Cartrefi Croeso

We do not want to stand still and, due to the huge success of the Affordable Homes Delivery Plan and the 10-year new build programme, plans are also already underway to align our new programme more closely with regeneration initiatives.

This approach will continue to provide huge opportunities for investment and regeneration including shaping the construction industry and creating local jobs and training opportunities. The will also enable the Council and its housing stock to play a pivotal role in not only developing much needed social housing, but also delivering the wider Council priorities to grow the economy.

This programme will further support the current earmarked developments of the 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.

## Conclusion

Through careful financial planning, this Business Plan will not only allow us to continue to maintain the standard and start to look at how we approach the decarbonisation agenda, but will provide a further boost, over and above what has already been delivered, to our ambition to build even more affordable homes.

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 2020/21 at an average of 2.7%.

Finally, we set out what the key assumptions are to make sure the Business Plan remains viable, what we will spend the money on and how it is funded.

Over the next year we must ensure clarity from Welsh Government on their future financial priorities in terms of maintaining existing standards, introducing new standards to support the decarbonisation agenda and building much needed affordable homes for those in need.

All three demands are important for existing and prospective tenants and we are managing that balance well at the current time. This can only be achieved by continuing to be pro-active in delivery and taking opportunities when they arise.

## Recommendations:

- 1. To confirm the 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 2020/21 MRA Application.**
- 3. To note our 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.**

DETAILED REPORT ATTACHED?

YES – Carmarthenshire Homes Standard PLUS (CHS+)  
Business Plan 2020/2023

## 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**

**Head of Homes and Safer Communities**

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

### 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 £286m to achieve and maintain the standard and build new homes. Nearly £138m 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+ and evolve the current standard 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 2.7% for 2020/21 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 2020 will mean the MRA of £6.1m for 2020/21 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 Head of Homes and Safer Communities

**1. Scrutiny Committee** – Community Scrutiny Committee was consulted on 5<sup>th</sup> February, 2020.

**2. Local Member(s)**

n/a

**3. Community / Town Council**

n/a

**4. 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.

**5. 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 2020/2023	Housing General Files	Council website- Democratic Services

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# Carmarthenshire Homes Standard Plus (CHS+)

## Business Plan

February 2020



[carmarthenshire.gov.uk/housing](http://carmarthenshire.gov.uk/housing)

Cyngor **Sir Gâr**  
**Carmarthenshire**  
County Council



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## Foreword by our Executive Board Members

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We are pleased to introduce our Carmarthenshire Homes Standard *PLUS* (CHS+) Business Plan 2020-2023, which sets out our priorities, plans and actions for new and existing council housing for the coming years.

Through careful financial planning, this Plan will not only allow us to continue to maintain the standard and start to look at how we approach the decarbonisation agenda, but will provide a further boost, over and above what has already been delivered, to our ambition to build even more affordable homes.

We plan to continue to invest over £49m in maintaining tenants' homes over the next three years. This will include upgrades to existing homes such as replacement kitchens and bathrooms, but we will be also starting to develop plans in relation to the decarbonisation agenda and the cost-effective measures we can introduce that will reduce carbon emissions but also provide our tenants with real savings in running their home. We will continue to sustain this investment.

Also, four years into our promise to deliver 1,000 more affordable homes by 2021, we are delighted to say that we have nearly reached the target a year early, with 985 households benefitting from more good quality low-cost homes, targeted at those households most in need.

Demand for social housing remains high and want to do more. We are already on site in Dylan, Llanelli, Garreglwyd in Pembrey and Glanmor Terrace in Burry Port. Further developments will follow that will include rural developments, as part of our new 10-year plan.

We will also be linking our housing investment programme with wider regeneration initiatives and plan to develop a joint, even more ambitious, masterplan. This will enable a real focus on the exciting proposals we have for developments in the Tyisha ward, the Wellness Village, Town Centres and key rural towns. Nearly £52m has been set aside for the next three years.

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 continues to be a major challenge for us in terms of future income and, more importantly, for tenants. Nearly 1200 tenants have already transferred over to the new system and an action plan to reduce the impact as much as possible for tenants across all tenures has been introduced, which is proving successful in mitigating the impact.

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 2020/21 at an average of 2.7%. This achievement should not be underestimated.

We are conscious, however, of balancing demands in our plans. Over the next year we must ensure clarity from Welsh Government on their future financial priorities in terms of

maintaining existing standards, introducing new standards to support the decarbonisation agenda and building much needed affordable homes for those in need. All three demands are important for existing and prospective tenants and we are managing that balance well at the current time.

***Most importantly, however, we want to during 2020-21 to evolve our CHS+ standards and plans in order that they continue to be fit for purpose for the long-term future. This will mean tenants benefiting from homes that are carbon friendly, cheaper to run and are flexible enough to cater for changing circumstances throughout people's lifetimes.***

We are so proud to be delivering on our promise to local families and this will continue to be achieved by continuing to work together and making a real difference in our communities and to the local economy.

<b>Linda Davies Evans</b> Executive Board Member for Housing	<b>Cllr Hazel Evans</b> Executive Board Member for Environment	<b>Cllr David Jenkins</b> Executive Board Member for Resources
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# Introduction

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## *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 Carmarthenshire Homes Standard *PLUS* (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 2020/21, which amounts to £6.1m.

## *Evolving the CHS+ Plan*

This Plan is updated annually considering the views of tenants and stakeholders, 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+ Working Group which is responsible for monitoring progress, reviewing and managing the overall 30-year financial plan that supports our planned investment. The newly formed Housing and Regeneration Strategic Group will provide strategic direction and corporate leadership to ensure progress is made on the initiatives in the Plan.

The Well-being of Future Generations Act now makes us think about the long-term impact of our decisions, to work better with people, communities and each other, the effect on the environment and to prevent persistent problems such as poverty, health inequalities and climate change. How this plan links with these well-being priorities, together with the overall governance structure, is set out in Appendix A.

***Most importantly, however, we want to during 2020-21 evolve our CHS+ standards and plans in order that they continue to be fit for purpose for the long-term future. This will mean tenants benefiting from homes that are carbon friendly, cheap to run and are flexible enough to cater for changing circumstances throughout people's lifetimes.***

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## 2019/2020 Achievements

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The previous CHS+ Business Plan 2019-2022 has achieved a number of notable successes over the last 12 months: -

### *We have:*

- Spent over £15m to maintain the CHS+ in tenants' homes;
- Delivered nearly 1,000 affordable homes in four years;
- Completed 530 adaptations, with over £1.9m being invested to ensure tenants' homes meet their needs;
- Conducted a STAR tenant satisfaction survey. A questionnaire was sent out to 5,000 tenants selected at random achieving an impressive 29% response rate;
- Introduced "our approach to tenant involvement" which sets out our vision for future tenant engagement and involvement in strategic decisions;
- Developed a three-year Community and Environment Programme of works to be carried out on estates, helping to improve the health and well-being of our tenants;
- Carried out over 30 community tidy up events;
- Adapted the planning for real model (an innovative approach to community engagement used in the Tyisha area in Llanelli), successfully engaging with the community, stakeholders and partners to produce themed action plans;
- Managed improvements and lettings of over 800 homes, including new homes added to our stock;
- Started to build 48 new Council homes at Dylan, Llwynhendy and Garreglwyd, Pembrey;
- Housed over 60 households who have specific needs through our Accessible Housing Register (AHR);
- Registered over 3,000 applicants for our Choice Based Letting scheme, Canfod Cartref, giving tenants more choice, which will make tenancies more sustainable; and
- Successfully managed the transition of 1,200 tenants onto the Universal Credit system.

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.

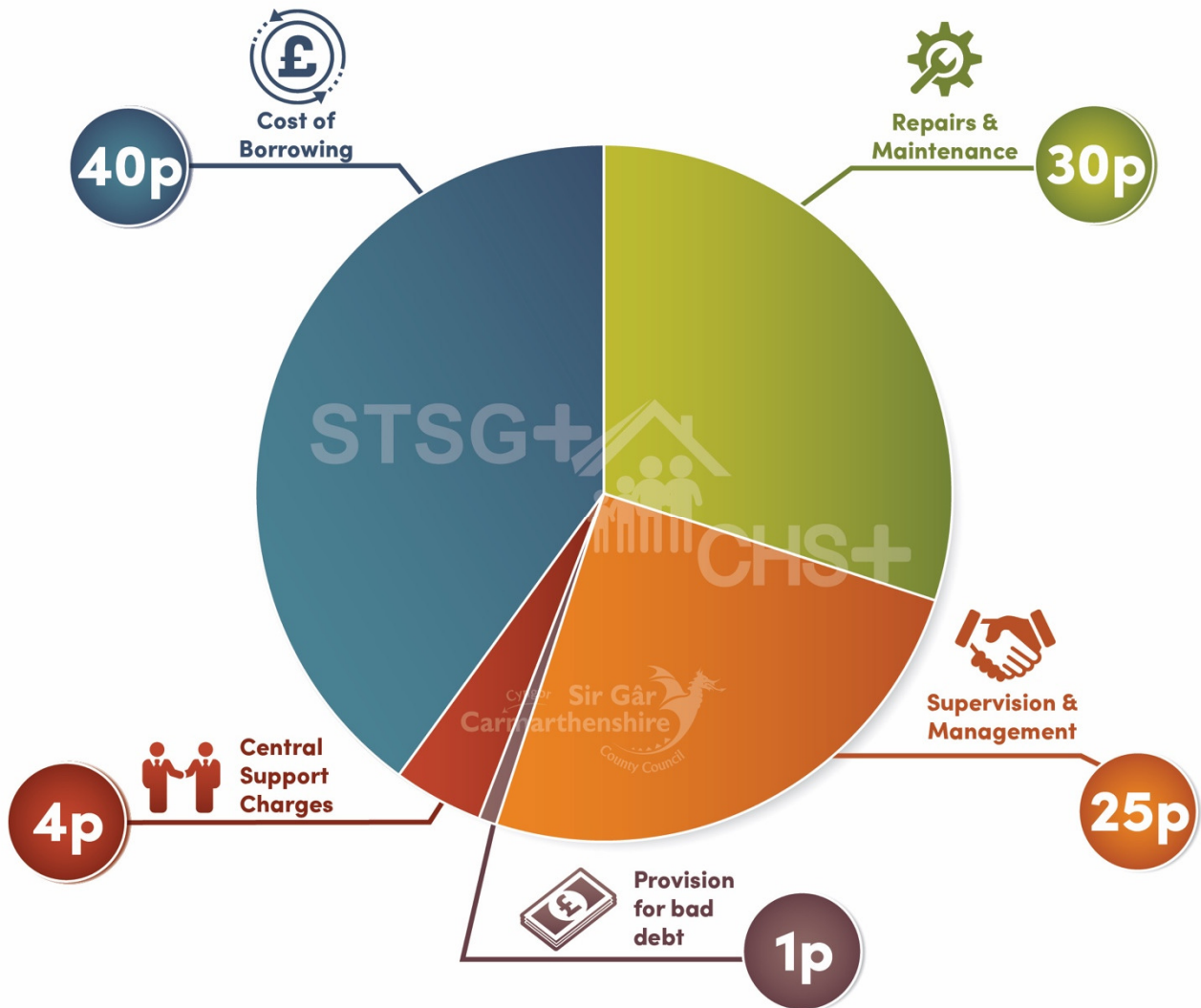
The importance of strategic asset management in providing the foundation for our investment plans, as well as the central role of supporting tenants and residents in everything we do, is also highlighted. Leading on from this, we will cover three key themes that have been identified in terms of future investment. These are:

**THEME 1 - Supporting Tenants and Residents.**

**THEME 2- Investing in our Homes' and the Environment.**

**THEME 3 - Providing more Homes.**

The following graphic describes what we spent your rent on in 2019/20:



**40p Cost of Borrowing**  
 (the cost of repaying money we borrow to improve your homes and providing additional homes)  
 Total spend = £14,542,216

**25p Supervision & Management**  
 Cost of managing and running the service (overheads) including salaries, premises and admin.  
 Total spend = £9,182,749

**30p Repairs & Maintenance**  
 (the cost of keeping your homes in good condition).  
 Total spend = £10,879,414

**1p Provision for bad debt**  
 (the cost of writing off debt when there is no option to recover money we're owed).  
 Total spend = £504,063

**4p Central Support Charges**  
 Cost of supporting the service we provide like accountancy, HR, legal, and IT  
 Total spend = £1,652,218

\*Figures have been rounded to the nearest pence/million pound. We also receive in addition to your rent an extra £1.5M from such items as interest, commission from Welsh Water and other revenues.

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# Context

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## *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 set out in Appendix B.

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 £49m in our existing homes over the next three years, including £4.5m on decarbonisation-based initiatives. 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 £52m 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; 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.



A full update report will be provided on garage sites where options have been considered and actions taken, as well as sites where decisions still have to be taken.

### ***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+.

### ***Sewage Treatment Works***

We currently have 15 treatment works serving 154 homes 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 sewage treatment works.

# Theme 1 - 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 have 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 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".*

## *What are our tenants telling us?*

During the summer months we undertook a tenant satisfaction survey. In total, 2,087 tenants took part in the survey, which represented a 29% response rate overall. A quarter of the total number of responses were collected online (513), and 82 surveys were completed in Welsh (4%).

Many questions in the questionnaire asked tenants how satisfied tenants are with the services provided. The full results are summarised in Appendix C.

## *What were the headline results and how do they compare with others?*

Tenant Satisfaction across the housing sector in Wales <sup>1</sup>				
Question? Satisfaction with:	Housing Assoc.	Voluntary Transfer	Retained Councils	CCC
service	90%	83%	78%	<b>82%</b>
repairs and maintenance	81%	78%	71%	<b>75%</b>
listening and acting on tenants' views	76%	73%	61%	<b>64%</b>

<sup>1</sup> Welsh Government 2019

82 % satisfied with the service overall



Tenants aged under 25 or over 65 were the most satisfied;



Satisfaction rates were lower for 35-54-year-olds;



Satisfaction rates did vary by wards; and



There were clusters of below average satisfaction in more urban wards.

### ***What happens next?***

- Further in depth analyse of results to get better understanding of differences in satisfaction rates by age, by ward and property type;
- Revamping of our approach to the way we listen and act on tenant's views;
- Using results to inform our service planning and developing and implementing actions to further improve rates.

### ***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. For Carmarthenshire, it was introduced in December 2018. We currently have nearly 1,200 tenants on Universal Credit. How tenants on UC currently pay their rent is shown in Appendix B. This is a fifth of our working age tenancies.

We anticipate, unless things change, that a further 4,000 tenants could transfer over the next two to three years. From a business point of view, evidence from other social housing providers 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.

We are pleased to say that, to date, there has only been a slight increase in rent arrears overall- just over 100k from the same time last year. This is lower than we had been expecting and certainly compares very favourably with the experience of other social housing providers.

This has been achieved as a result of:

- Ensuring that tenants are aware of what help we, or our partner organisations, can offer;

- Contacting all tenants who have made a claim for Universal Credit to discuss any support needs;
- 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***

We created a pre-tenancy service because we knew that tenants were being 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 was set up to help housing applicants and new tenants prepare for their new home; making them financial stable, tenancy aware and without debt in order to sustain their tenancy, prevent homelessness and support them to thrive in their local communities.

This project has resulted in:

- 224 households being supported through the project;
- The course being delivered in a group setting to 76 prospective tenants and to over 90 new tenants, with 100% positive feedback to date;
- Nearly 60% of new tenants opting to pay by Direct Debit or Standing Order;
- Identifying 55 households in need of financial support to help furnish their homes. Receiving on average £1300 of goods to help furnish their homes, avoid debt and sustain tenancies;
- Housing Benefit payment times falling from 6 weeks to 2.5 weeks; and
- Development of a pre-tenancy promotional video for website and partner agencies.

### ***Our approach to this year's rent increase***

For 2020/21, through careful financial planning, we have been able to keep the average rent increase to 2.7%.

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## Theme 2 – Investing in Homes’ and the Environment

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In 2015 we achieved the CHS+ to homes where tenants have agreed to have work completed - well before WG’s target of December 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.

However, we wish to do more to enable affordable warmth for our tenants. Our ambition to develop a new standard has the potential to be hugely transformative in terms of reducing carbon emissions but also; -

- Improve homes and health outcomes;
- Tackle fuel poverty; and
- Create jobs and training opportunities in some of our poorest communities.

We need to ensure that both our new build activities and retrofits of existing properties are cost effective and meet our ambitions and obligations related to climate emergency (in particular our commitment to becoming a net zero carbon local authority by 2030). Whilst also meeting our ambitions to alleviate fuel poverty, support the vulnerable, develop the supply chain in terms of new technologies, and stimulate a sustainable local economy. We are committing to planting a minimum of 1,000 new trees to offset our carbon footprint of building 1,000 new homes.

We know that housing will play a significant part in contributing to the Councils overall ambitions and we recognise that we need specialist support to help develop an associated energy strategy for housing that meets our requirements and addresses the specific challenges that Carmarthenshire faces. By working in partnership and engaging with existing and future tenants we intend 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”***

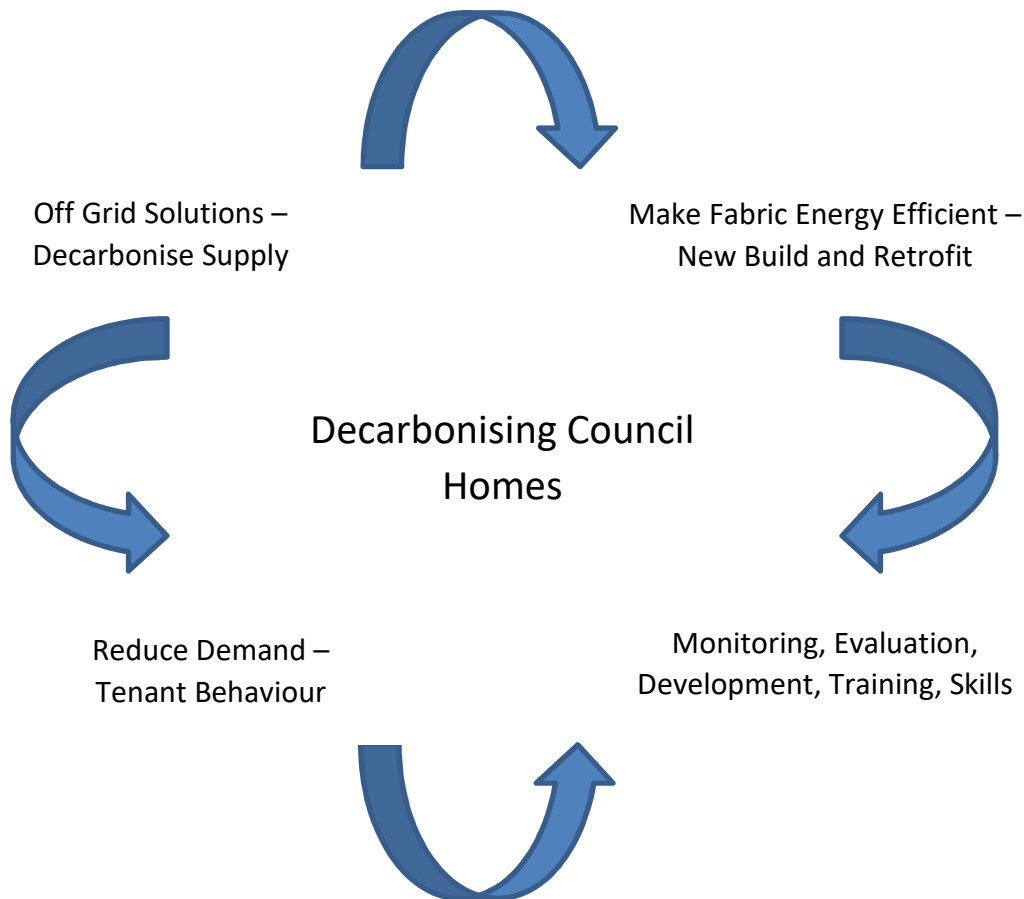
### ***Homes as Power Stations – Decarbonising Council Homes***

Aligning with the above, 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 and we are currently developing a model to decarbonise our council homes.

We believe adopting a partnership approach will offer us the greatest opportunity to deliver our ambitions, keep up with emerging and developing technology, provide the opportunity to monitor the impact on tenant’s bills and health and adjust our programmes accordingly. The model will demonstrate:

- how the strategy maximises local employment and is a catalyst for economic regeneration. For example, by leveraging local SMEs, contractors, training providers and large employers;
- how the strategy is compliant with current and known future requirements, such as the Wellbeing of Future Generations Act; and
- the estimated carbon reduction achieved against the existing position.

***How we will work in partnership to develop and deliver the Decarbonising Council Homes model:***



***Decarbonising Council Homes - How will the model work?***

- **Make Fabric Energy Efficient** – we will ensure that our extensive new house build and retrofit programmes integrates new technologies to allow homes to generate, store and release energy;
- **Monitoring, Evaluation, Development, Training, Skills** – we will focus on smart technologies in relation to energy demand management and ensure that we incorporate leading research to monitor the effectiveness of emerging technologies. We will aim to attract new sector supply chains and high value manufacturing and construction operations to deliver the skills and services we need to meet our ambitious plans.

- **Reduce Demand – Tenant Behaviour** – we will help tenants to better understand their fuel use and living environment. We will work with tenants to provide training on the use of the new technologies installed in their homes and provide remote assistance for those that need it.
- **Off Grid Solutions – Decarbonise Supply** – we will explore our natural environment and harness off grid energy sources such as wind and water. To help to generate sustainable and affordable energy to homes and address fuel poverty.

We are unsure of the exact value at this stage nor timescales. However, we do know that different models will be required for different homes in different locations – multiple solutions. The essential focus will be on cheaper energy, the infrastructure, retrofitting, and a 10-year plan tailored for Carmarthenshire. Mixed approach with a focus on monitoring. There is a need to include monitoring, evaluation and improvement in order to future proof the work.

The decarbonisation of Council Homes will not only provide affordable warmth for our tenants but will bring with it market confidence to develop and create jobs and employment for the local economy being a long term 30-year project. Creating a new local supply chain, with trusted local installers. We recognise the importance of communities and their role in changing behaviour, as Tenants' behaviours will affect everything we do.

To further develop the model and establish the appetite of the market we will carry out an Early Market Engagement (EME) exercise in 2020/21. This will inform us on how best to approach and deliver the project.

### ***Retrofitting our existing housing stock with low carbon technology***

As part of developing our decarbonisation plans, we are working with the Welsh School of Architecture at Cardiff University to install a range of 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 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, over the last 12 months, discreet monitoring equipment has been installed to measure the environmental conditions and energy use in the homes before has been carried out. We will continue to monitor the

environmental and energy consumption during and after the work is completed for a further 12 months. We will be analysing the results of the installation of low carbon technology in terms of costs, benefits to tenants and ease of use.

### ***Maintaining the Carmarthenshire Homes Standard Plus (CHS+)***

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 has identified five key themes in this area:

- **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;
- **Void Homes and Safer Communities** – make void properties available for letting as quickly as possible, minimising rent loss and maximising the housing available, whilst striving to meet CHS+; 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 2020/2023 (set out in our capital spend table on page 31)

**Repairs and Maintenance:** The responsive repairs service has more contact with tenants and customers than any other part of the 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. In the recent tenant survey 75% of tenants were satisfied with repairs and maintenance overall; and 79% of tenants were satisfied with last completed repair.



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 more 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;
- Gaining access to ensure that the necessary works are completed; and
- Installing 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;
- Make void properties available for letting as quickly as possible, minimising rent loss and maximising the housing available, whilst striving to meet CHS+;
- Ensuring every new tenant receives relevant information about their new home including 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:

- Engaging with tenants on our Decarbonising Council Homes plans and ensure they become fully involved;
- 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;
- Evaluating over a 12-month period a pilot undertaken in 2019 of a bio-degradable soft wash treatment to treat the effects of lichen and algae growth on affected properties; and
- Investigating the potential costs and benefits of undertaking a programme of external works such as gutter clearance and external high-level cleaning on homes.

### ***Type of work to be completed in 2020/21***

We know the following work may be required to maintain the standard in 2020/21.

<b>Type of work/components</b>	<b>Target homes to be completed in the full year 2020 – 2021</b>
<b>Kitchens</b>	<b>69</b>
<b>Bathrooms</b>	<b>62</b>
<b>Central heating Systems</b>	<b>53</b>
<b>Electrical Systems</b>	<b>41</b>
<b>Mains Powered Smoke Detectors (upgrading and/or replacing)</b>	<b>800</b>
<b>Roofs</b>	<b>225</b>
<b>Render and Fascia</b>	<b>210</b>
<b>Gardens and outhouse planned programme</b>	<b>22</b>
<b>Retrofitting Low Carbon Technology (increasing SAP rating 65+)</b>	<b>150</b>

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.

### ***Risk Reduction Measures***

#### ***Approach to fire management***

Our approach to reviewing fire risk assessments for our purpose-built blocks of flats, including sheltered schemes 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 CHS+ Working Group, as set out in our governance structure.

## ***Radon Testing Programme***

Following guidance issued by the Welsh Government, Public Health Wales and Public Health England (PHE), we have started a programme of radon testing in all our homes located in areas where there is a higher probability of high radon levels. The programme is likely to run over a few years.

Officers from the Council will contact tenants and visit their homes to install the detectors, one in the living room and one in a bedroom. Radon detectors are safe and simple to use and can be placed discreetly on cupboards / wardrobes / shelves etc.

The detectors will need to remain in place for a period of 3 months, and at the end of the test period will be collected by our officers and sent to PHE for analysis. We will contact tenants with the results and let them know if we need to act in their home to reduce radon levels to as low as possible.

## ***Further development and new opportunities***

### ***Older people's future housing***

The evidence of what is needed to meet older people's future housing and accommodation requirements suggests that a sophisticated mix of housing models and approaches will be required over the next 10-20 years. This range covers general needs housing, specialist housing (i.e. housing specifically for older people) and care-based provision (residential/nursing care, hospital-based care).

### ***Investing in sheltered housing***

Demand for our sheltered housing remains high generally, but we need to ensure that the right type of support and facilities are 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 programme of upgrading. As part of our programme we 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.

## ***Developing assisted living options for older people***

We will consider the requirements and options to develop independent and supported living at Delta Lakes, Llanelli, for rent and for sale. This will include options for older people with learning disabilities and older people living with mental health conditions. The Delta Lakes development will contribute to our ambitious programme to deliver over 1000 new affordable homes over the next 10 years.

## ***Assisting with regeneration plans***

In 2018 the Council worked with 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.

Residents and stakeholders identified the following issues:

- Tackling drug taking/anti-social behaviour and crime;
- Improving the environment in general, including addressing the issues of traffic, providing better transport links, parking, litter and fly tipping;
- Addressing low demand and associated anti-social behaviour at current housing accommodation, the 4 Ty's, Clos Sant Paul and the private rented sector as a whole; and
- Creating more community facilities and opportunities for education, training and employment.

We have developed a transformational plan for the area. The main elements involve developing the area around the Railway Station to create a gateway into the town to include new housing, environmental and street scene enhancements.

We have moved these plans forward and gained agreement from Executive Board to develop the following key actions:

- Initiating a framework of ongoing engagement with residents, businesses and other stakeholders;
- Engaging with the residents of the "4 Ty's" and Clos Sant Paul blocks to discuss their housing needs and future options with a view of gaining vacant possession to redevelop the sites. As part of this work we will carefully look at the surrounding Council owned housing with the view of initiating both face lift improvements and street enhancements;
- Engaging with potential partners with a view of developing a plan for new housing which will result in significant tenure change;

- Decommissioning the current temporary and supported accommodation in Station Road and to provide alternative smaller dispersed and managed units elsewhere;
- Undertaking focused advice and, where necessary, enforcement action involving private rented and empty properties to improve management standards and associated anti-social behaviour in the area;
- Undertaking focused activity to improve street scene and environmental issues which will involve targeting enforcement action where there are hotspots for fly tipping, littering and dog fouling;
- Working with the police and other agencies to tackle public order, drug and alcohol issues;
- Working with Regeneration Teams to encourage new business opportunities, bringing back into use vacant premises;
- To explore the feasibility of developing a community hub for providing a range of services such as early years family support, youth support and employability education and training.

## Theme 3 – Providing more homes

### Affordable Homes

Providing more affordable homes has been a key a strategic priority for the Council for a number of years. In 2015, we published our five-year vision for increasing the supply of affordable homes. In 2016, we set out our first ambitious programme to deliver over 1000 affordable homes.

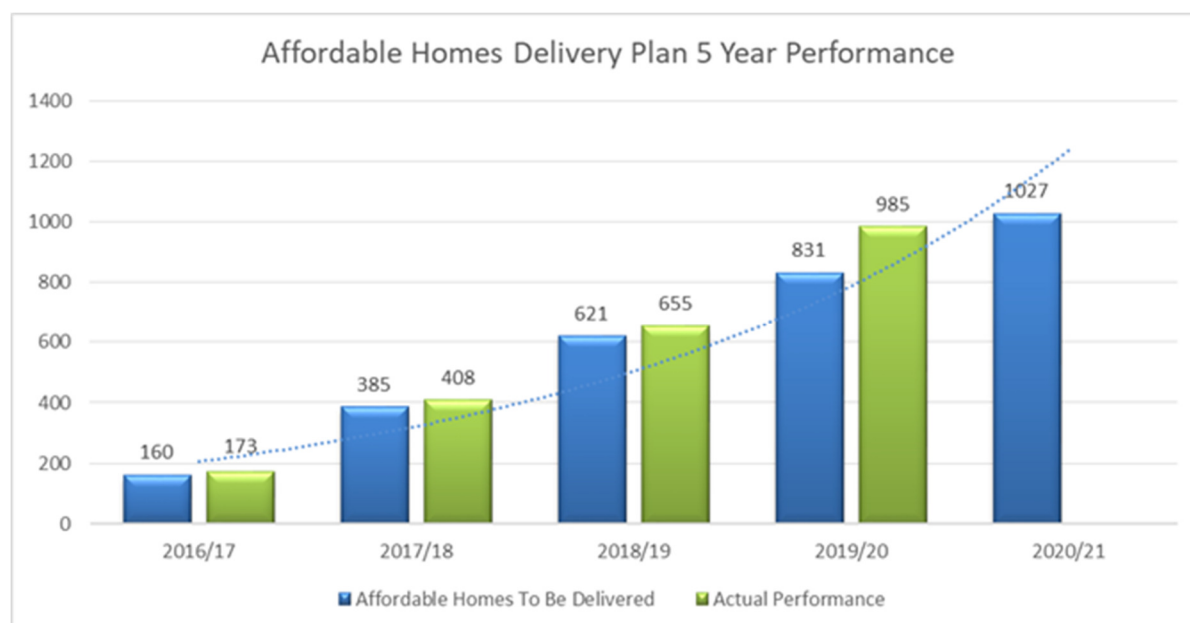
Our commitment to increasing the supply of affordable housing will ensure that we deliver the greatest increase in the number of Council homes in the county since the 1970's and return our housing stock levels to those last seen in the 1990's.

### Our Affordable Housing Performance

The first four years have been very successful with 985 additional affordable homes delivered by the end of 2019, almost reaching our original target of 1,000 homes by 2021, a year early.

This includes the start of our new Council house developments in Pembrey and Llwynhendy. Through these developments we will provide 48 new build council homes in our communities. More new-build developments are due to start on site in 2020.

Our overall performance for the last four years (2016/17 – 2019/20) is shown in the graph below:



The delivery of affordable homes to date has been achieved by using a variety of innovative solutions including:

- buying private sector homes;

- supporting landlords in the private rented sector with our Social Lettings Agency;
- bringing empty homes back into use;
- supporting our Housing Association partners to build new homes through the social housing grant programme; and
- Section 106 developer contributions through the planning system.

It was always anticipated that over time, we would need to provide even more affordable homes to meet the actual housing need in the County.

### ***Delivering an ambitious Council New Build Programme***

In September 2019, we also published our first ambitious 10-year Council new build programme. This programme will deliver over 900 new Council homes with an investment programme of nearly £150m. The programme was developed by:

- Prudent financial management;
- Setting up our Local Housing Company, Cartrefi Croeso;
- Maximising external funding opportunities, including Affordable Housing Grant, Innovative Housing Programme Funding and Self-Build Wales;

This programme is in addition to the Affordable Homes Delivery Plan that has already delivered an additional 1000 affordable homes.

This programme will further support the current earmarked developments of our 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.

The delivery of our new homes will continue to follow the affordable housing action areas developed as part of the Affordable Homes Delivery Plan. Four action areas were created by building up wards in the County into distinct areas, which link geographically and culturally.

The four action areas are as follows:

- Carmarthenshire Rural and Market Towns;
- Ammanford and the Amman Valley;
- Carmarthen and the West; and
- Llanelli and District.

### ***Where will the Council new build homes be built in the next 3 years?***

During the first three years of the programme over 300 new Council homes will be built with a total investment exceeding £53m. This investment is currently made up of HRA capital funding and external grant funding. How the programme is funded may change if more grant funding becomes available from Welsh Government.

The delivery of the Council new build programme begun in September 2019 with works starting on two sites and creating 46 homes.



In early 2020 works began on a further three sites, including:

- **Glanmor Terrace, Burry Port** – this development will create 32 highly energy efficient homes that will help mitigate fuel poverty as well as reducing carbon emissions. This development attracted £4.7m of Innovative Housing Programme Grant in 2019/20.
- **Gwynfryn, Ammanford** – this development will create 28 homes, a mix of 2, 3- and 4-bedroom homes meeting local housing need. This development attracted £3m of Affordable Housing Grant in 2019/20.
- **Maespiode, Llandybie** – this is a small development of 8 two bedroom homes. This development attracted £616k of Affordable Housing Grant in 2019/20.

**Our programme for the next 3 years, creating over 370 homes, is shown on the map below:**



MAP KEY		
1 - Gwynfryn, Ammanford	7 - Brynderi, Pontyates	13 - Llangennech
2 - Garnant	8 - Meidrim, Trelech*	14 - Pentref Gardd, Burry Port
3 - Nantydderwen, Drefach	9 - Land at Alltwalis School*	15 - Llanelli, Town Centre
4 - Maesgriffith, Llansteffan*	10 - Land opposite Llangadog School*	16 - Station Road, Llanelli
5 - Assisted Living Scheme	11 - Dylan, Bynea	17 - Assisted Living Scheme
6 - Carmarthen West	12 - Garreglwyd, Pembrey	18 - Wellness Village Llanelli (Assisted Living)
		* - Being developed by Cartrefi Croeso

## *The Future – further alignment with regeneration initiatives*

We do not want to stand still and, due to the huge success of the Affordable Homes Delivery Plan and the 10-year new build programme, we will also now align our new programme more closely with regeneration initiatives.

This will continue to provide huge opportunities for investment and regeneration including shaping the construction industry and creating local jobs and training opportunities. The will enable the Council and its housing stock to play a pivotal role in not only developing much needed social housing, but also delivering the wider Council priorities to grow the economy.

Our approach will include:

- An ambitious Council new build programme creating mixed tenure developments including, social rented homes, low cost home ownership and open market sale;
- A range of innovative solutions to deliver more affordable homes, including purchasing private sector homes and increasing the Council's housing stock in the areas of greatest housing need; bringing empty homes back into use and managing private sector homes through the 'Simple Lettings Agency';
- Creating more affordable homes by working in collaboration with partners including housing associations and private developers.
- Developing a new build programme for Cartrefi Croeso to maximise the supply of mixed tenure developments, especially in rural areas. This will offer families additional choices as alternatives to social housing; and
- Maximising external funding opportunities and supporting wider regeneration initiatives, including rural areas, town centres.

Funding will come from HRA borrowing and continuing to maximising housing and regeneration external funding opportunities as they become available. We are confident that more funding opportunities will arise, helping us to maximise our impact in our communities.

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# Community Benefits and Procurement

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## 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 2018/19, two contractors were used through the South West Wales Regional Contractors Framework. Approximately £800,000 of CHS+ works were carried out in total via the framework, achieving the following results:

- For every £1 spent, £1.61 was reinvested into the Welsh economy;
- 53% of the total expenditure was spent on businesses based in Wales
- £57,765 was contributed to the Welsh economy in the form of cash contributions or sponsorships
- £6,700 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
- 3 people were hired during this period who were previously unemployed, and who will continue to be employed;
- Over 49 weeks of training was provided, including:
  - 3 apprenticeships started and over 21 weeks carried out;
  - 2 work experience / internship opportunities were started and completed with over 21 weeks completed in total;
  - 2 accredited training opportunities were completed with over 5 weeks in total; and
  - 8 non-accredited training opportunities were completed with over 2 weeks in total.

# Funding and Risk Management

## Major Repairs Allowance

Every year we receive over £6 million from WG 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

<b>Major Repairs Allowance (MRA)</b> <i>i.e. the amount of capital funding we get from the Welsh Government</i>	<b>£6.1m</b> each year. This is on the basis that we receive £673 for each home.
<b>Rent increase 2020/21</b>	<b>2.7% average</b>
<b>Future rent increase levels</b> <i>Based on Welsh Government Policy</i>	Consumer Price Index plus 1% from 2020/21 for 5 financial years.
<b>Borrowing and direct revenue financing (DRF)</b>	Borrowing £35m and utilising £36m DRF over next 3 years to Maintain the CHS+ And deliver our Affordable Homes ambitions.

### OTHER

<b>Expenditure/income inflation</b>	Employees' pay at 2.75% for 2020/21 as per the council fund
<b>Right to Buy receipts</b> <i>i.e. Money we get from tenants' buying their home</i>	No receipts from 1 <sup>st</sup> April 2015 following suspension of Right to Buy
<b>Balances on the revenue account</b> <i>i.e. the amount of money we need to keep in reserve</i>	Minimum of £1.4m (based on £150 per property)

### SPENDING

<b>Assumed Borrowing costs</b> <i>i.e. the amount it costs to borrow money</i>	Cost of existing and new debt: 2020/21: 4.19% And future years	Cost of exiting HRAS:  Average of 4.57%
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<b>Provision for Bad debt i.e. debt that we will be unable to recover</b>	2020/21: £514k 2021/22: £524k 2022/23: £535k
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### *Delivering efficiencies*

For year two and three of this plan we will be introducing better ways of working and applying a revenue service efficiency to our supervision and management and revenue repairs and maintenance, to support the value for money provided to our tenants.

<b>CAPITAL SPENDING TO: -</b>	<b>Budget 2020/21</b>	<b>Budget 2021/22</b>	<b>Budget 2022/23</b>
	<b>(£000s)</b>	<b>(£000s)</b>	<b>(£000s)</b>
<b>Maintain the standard:</b>			
Internal works - kitchens, bathrooms, electrics, heating	1,263	1,248	1,300
EWI, Render and Fascia (inc. gardens)	2,756	2,500	2,500
Roofing	1,800	1,680	1,764
Structural works - Estates and boundary walls (inc. identified structural works)	1,435	785	170
Voids and Major Works to homes	3,000	2,500	2,000
External Works	180	150	150
Decants	150	150	150
<b>Support Tenant and Residents:</b>			
Sheltered Scheme Investment	3,020	2,270	2,270
Adaptations	1,500	1,500	1,500
Environmental works	380	380	380
<b>Provide more affordable homes:</b>			
Housing Development Programme	16,000	19,195	16,430
<b>Decarbonisation:</b>			
Works to deliver decarbonisation	1,671	1,458	1,425
<b>Support the delivery of CHS+:</b>			
Programme management	643	656	669
Stock condition information	100	100	100
Risk Reduction Measures	598	417	417
Sewerage treatment works & associated costs	184	220	160
<b>TOTAL</b>	<b>34,680</b>	<b>35,209</b>	<b>31,385</b>
<b>CAPITAL FUNDING FROM: -</b>	<b>Budget 2020/21</b>	<b>Budget 2021/22</b>	<b>Budget 2022/23</b>
	<b>(£000s)</b>	<b>(£000s)</b>	<b>(£000s)</b>
Welsh Government Grant - MRA	6,120	6,120	6,120

Welsh Government Grant - IHP & other	3,800	900	5,000
Direct Revenue Financing	10,000	10,000	13,281
External Borrowing	14,760	18,189	6,984
<b>TOTAL</b>	<b>34,680</b>	<b>35,209</b>	<b>31,385</b>

<b>REVENUE SPENDING TO:</b>	<b>Budget 2020/21 (£000s)</b>	<b>Budget 2021/22 (£000s)</b>	<b>Budget 2022/23 (£000s)</b>
Repair and maintain homes	9,597	9,725	9,857
Supervision and management	11,733	11,967	11,975
Support services e.g. legal and finance	1,681	1,714	1,749
Provision for Bad debts	514	524	535
Direct Revenue financing	10,000	10,000	13,232
Capital charges	16,622	16,288	16,918
<b>TOTAL</b>	<b>50,147</b>	<b>50,219</b>	<b>54,265</b>

<b>REVENUE FUNDING FROM:</b>	<b>Budget 2020/21 (£000s)</b>	<b>Budget 2021/22 (£000s)</b>	<b>Budget 2022/23 (£000s)</b>
Tenant rents	42,180	43,737	45,131
Service charges	770	788	810
Interest received	139	107	66
Housing Finance Grant 2	246	246	246
Water rates commission	401	401	401
Grants / Other	999	1,012	1,024
<b>TOTAL</b>	<b>44,735</b>	<b>46,292</b>	<b>47,678</b>

Surplus/(Deficit in year)	-5,412	-3,928	-6,587
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<b>HRA END OF YEAR POSITION:</b>	<b>Budget 2020/21 (£000s)</b>	<b>Budget 2021/22 (£000s)</b>	<b>Budget 2022/23 (£000s)</b>
Balance brought forward from last year	-20,748	-15,336	-11,408
HRA budgeted surplus (-)/ deficit (+)	5,412	3,928	6,587
<b>BALANCE CARRIED FOWARD</b>	<b>-15,336</b>	<b>-11,408</b>	<b>-4,821</b>

## ***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.

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 balancing investment in maintaining the existing standard, introducing new measures to support decarbonisation and continuing to deliver our ambitions housing and regeneration development programme.

All risks are monitored by the CHS+ Working Group.

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# Compliance, Verification and Monitoring

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## *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.

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

The details of our acceptable fails and compliance are set out in Appendix D, and our full CHS+ compliance document is set out in Appendix E.

## *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 external support, where necessary to undertake desktop reviews;
- Commencing a sample programme of stock condition visits every year;
- Asking tenants how they would like to be part of the process of verification;
- Continuing to use a range of methods to assess compliance. Some data is already independently collected, e.g. boiler inspections, EPCs and electrical tests; and
- Providing 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 Plus (CHS+)

Business Plan - Appendices A-D

February 2020



# Contents

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## Appendix A: *Well-being Priorities & Governance Structure*

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

We know from the recent STAR survey how important and valued our neighbourhoods are to tenants' lives. Examples of this are:

1. We will develop and deliver a three-year estates improvement programme to improve the environment. We will look at ways to improve the way we tackle anti-social behaviour through robust partnership arrangements, and preventative work on our estates.
2. Demand for our older person's accommodation remains high but we need to ensure that the right type of support is in the right schemes. During 2019/20 we started a pilot programme of improving our accommodation for older people through consultations with tenants. 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. Once our vision for older person's accommodation has been agreed by Council, we will then produce a workstream plan for older person (HRA) accommodation. This will continue with existing work on improvements to our older person schemes, updating working practices, updating wi-fi provisions and ensuring tenants homes evolving with them during the lifetime of the tenancy.
3. 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.



Understanding the root causes of the issues to prevent them reoccurring

We recognise that taking prevention action is key to the success of delivering CHS+ Business Plan. Examples of this are:

1. We know that maintaining our estates, through grounds maintenance, minor repairs to fences and keeping our communal areas clean and tidy are important to our tenants. Looking forward we think it is important that we have responsive team that will tackle estate environmental issues quickly and in a proactive way. We will be developing measures to improve estate inspections and overall neighbourhood appearance.
2. The continuation with Home checker will ensure we adopt a preventative approach in supporting our tenants by giving advice in looking after their homes, Universal Credit, and household budget management.



## Taking an integrated approach so that we look at all well-being goals and objectives of other services and partners

We believe by having a joined-up approach we can achieve much more for our tenants. Examples of this are:

1. Using the check and challenge approach to develop and implement any new projects.
2. Actively work with the Regional Partnership Board to deliver on the transition funded projects jointly with Social Care and Health.
3. Embedding Making Every Contact Count (MECC) into the roles of all home visiting staff and ensure that community staff are aware of partnership messages and processes for referral.
4. Upgrading our older person schemes to ensure they are compatible with assistive technology and wi-fi coverage.
5. Delivering adaptations to meet the needs of tenants and re-housing tenants through the adapted home register to more suitable accommodation.



## Collaboration - Working with others in a collaborative way to find shared sustainable solutions

We believe that working with others and strengthening our existing partnerships and relationships is essential in the delivery of our services. Examples of this are:

1. Working with Delta Wellbeing to ensure tenants are receiving a service that meets their assessed needs. This involves transferring lifelines to Delta Wellbeing which will give those tenants a person-centred service which can adapt to their needs in later years.
2. Encouraging shared responsibility to support tenant's wellbeing and reduce social isolation in schemes.
3. Tenant led collaboration to improve quality of their homes and to define the future standard and what it means.
4. The Business Plan is delivered in a partnership approach between a range of Council Services and external partners. It sets out our ambition to work on a local, regional and national scale to improve services and deliver real projects that have a significant impact.



## Involving a diversity of population in decisions that affect them

Our vision for tenant involvement published early this year aims to take forward better engagement with tenants but also to involvement is strategic issues. To do this we will:

- Give tenants a say through single-issue meetings, digital participation and challenge panel
- Using Planning for Real to involving tenants in shaping their communities
- Involve current tenants in our schemes to shape the future standards of their home
- Community events – to engage with tenants
- Using community events to understand satisfaction of the service
- Set up online tenant's forum so tenants can give their views on specific topics
- Develop tenant are on web page (linked to My Account encourage channel shift (how) make contact relevant and current

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.

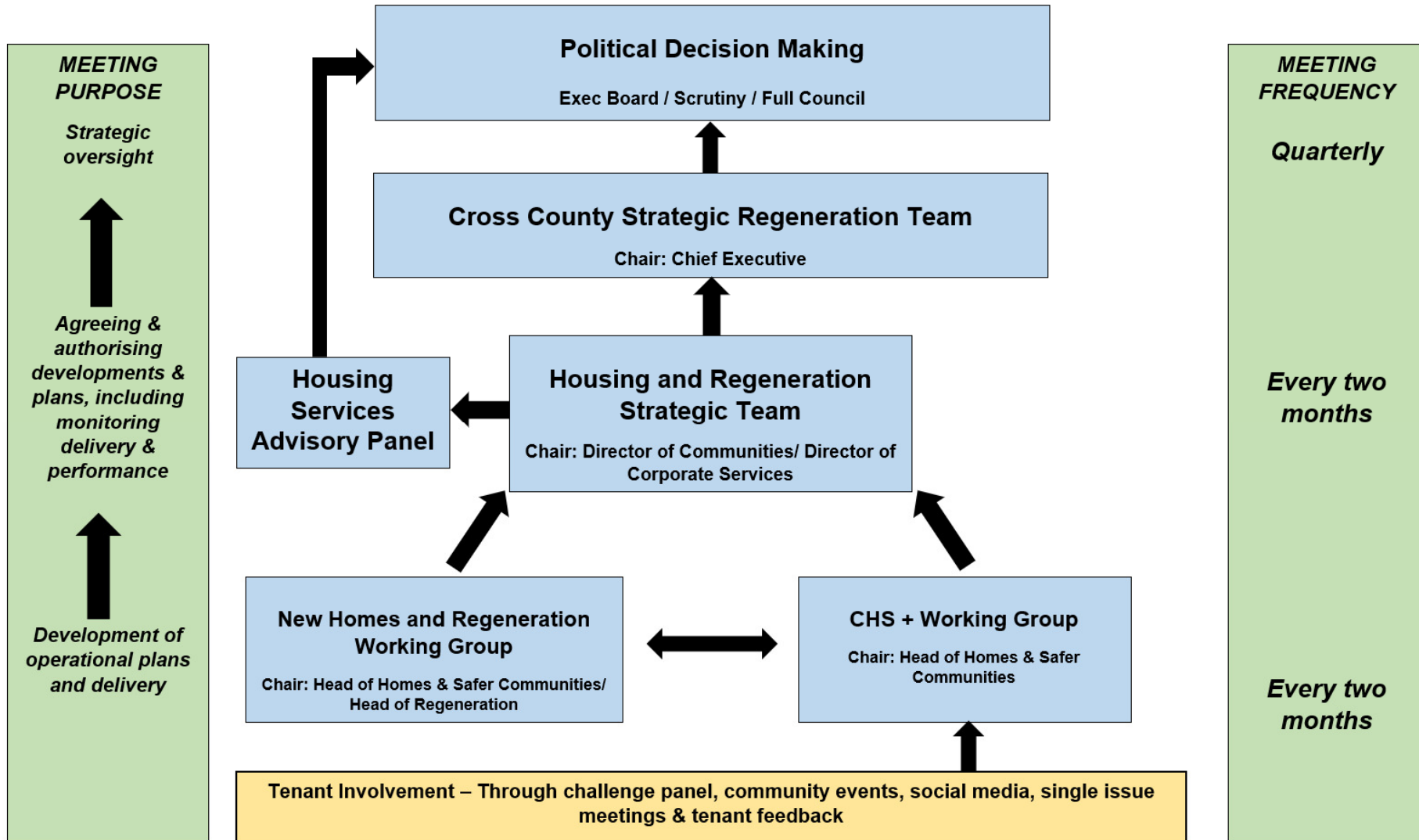
The CHS+ Business Plan contributes to the seven Well-being goals under the sustainable development principles in the following way:

<b>A more prosperous Wales</b>	<p><b>We will focus on:</b></p> <ul style="list-style-type: none"> <li>• Ensuring long-term economic and social benefits for Carmarthenshire through the Swansea Bay City Region and future European and external funding avenues.</li> </ul> <p><b>We are committed to:</b></p> <ul style="list-style-type: none"> <li>• Contributing to the social, economic and environmental well-being of the wider community;</li> </ul>
1	
<b>A resilient Wales</b>	<ul style="list-style-type: none"> <li>• Asking tenderers to deliver community benefits in our tendering activities through the delivery of the contracts or frameworks awarded;</li> <li>• Maximising the value for every pound we spend, applying a community benefits approach to any tender valued over £1million; and</li> <li>• Capturing and recording community benefits utilising WG’s community benefits measurement tool.</li> </ul>
2	
<b>A healthier Wales</b>	<p><b>We will focus on:</b></p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Mitigating the local impacts of welfare reform by supporting affected residents through the changes;</li> <li>• Providing homes better suited to tenants needs by investing in adapting homes and understanding the future investment needs for our sheltered housing stock.</li> </ul>
3	
<b>A more equal Wales</b>	<p><b>We will focus on:</b></p> <ul style="list-style-type: none"> <li>• Reducing anti-social behaviour by working in partnership with other agencies and communities to tackle local problems.</li> <li>• We want to get better by engaging as widely as possible and maximising opportunities to help build stronger communities.</li> </ul>
4	
<b>A Wales of cohesive communities</b>	<p><b>We believe we should:</b></p> <ul style="list-style-type: none"> <li>• 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: -  <i>“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”.</i></li> </ul>
5	
<b>A Wales of vibrant culture and thriving Welsh language</b>	<p><b>We will focus on what our tenants are telling us:</b></p> <ul style="list-style-type: none"> <li>• During the summer months we undertook a tenant satisfaction survey. In total, 2,087 tenants took part in the survey. This represented a 29% response rate overall. 82 surveys were completed in Welsh (4%).</li> <li>• We will carry out an in-depth analyse of results to get a better understanding of the differences in satisfaction rates by age, by ward and property type; and revamp our approach to the way we listen and act on tenant’s views.</li> </ul>
6	
<b>A globally responsible Wales</b>	<p><b>We will ensure that:</b></p> <ul style="list-style-type: none"> <li>• Our new build activities and retrofits of renewable energy technology to our tenants’ homes are cost effective and meet our ambitions and obligations related to climate emergency (in particular its commitment to becoming a net zero carbon local authority by 2030)</li> <li>• We meet our ambitions to save tenants money on their energy costs, support the vulnerable and stimulate a sustainable local economy.</li> </ul>
7	



## 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.

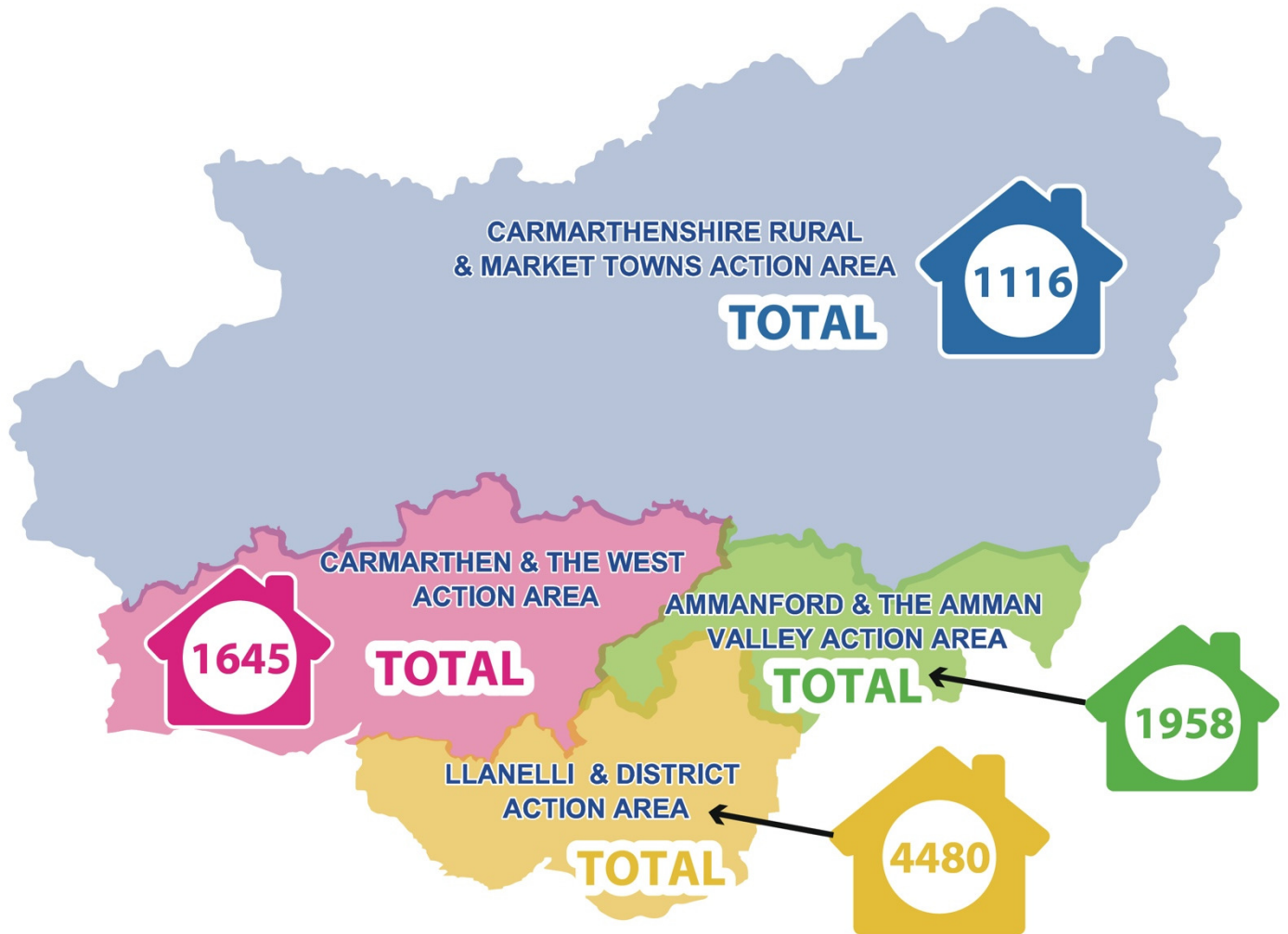


## Appendix B: Stock, Tenant and Housing Choice Register Profile

### Stock Make Up

Carmarthenshire County Council's HRA stock (as set out below) comprises 9,199 homes, including 519 sheltered homes, and an additional 220 leasehold homes.

The housing stock comprises 5,036 houses and 2,183 bungalows, with the remainder made up of 1,980 flats (including sheltered), bedsits and maisonettes. The majority of the stock is 2- and 3-bedroom homes.

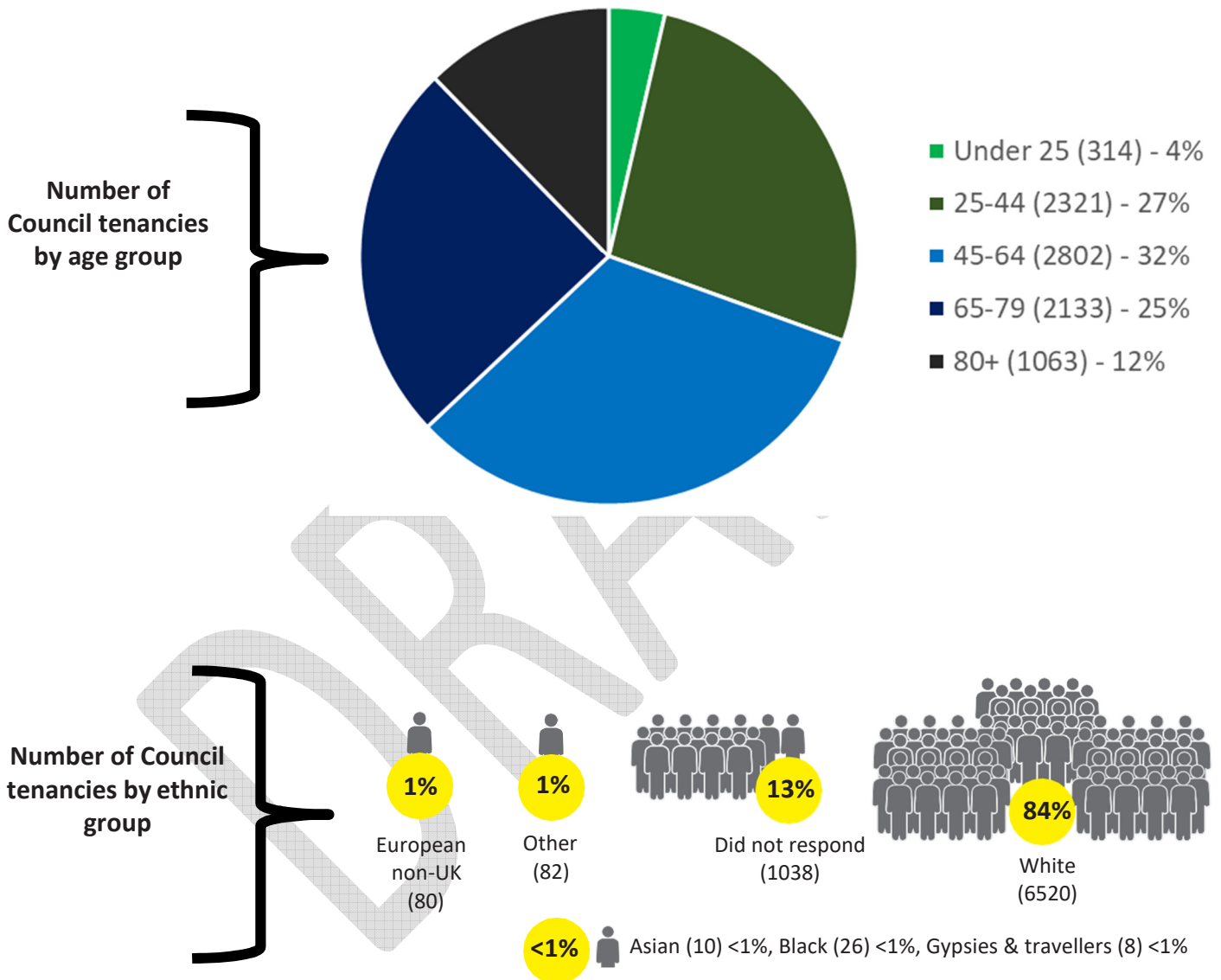


Property Type	Carmarthenshire Rural & MKT Town	Carmarthen & The West	Ammanford & the Amman Valley	Llanelli & District
Bedsit	0	19	0	3
Bungalow	540	497	502	644
Flats (Inc Sheltered)	182	330	509	897
House	394	781	946	2915
Maisonette	0	18	1	21

## Tenant Profile

We know that 12% of our lead tenants are aged 80 or over and a further 25% are aged 65 to 80. As a result, 37% of our lead tenants are 65 or above. Only 4% of our lead tenants are under 25, the remaining 59% are aged 25 to 65.

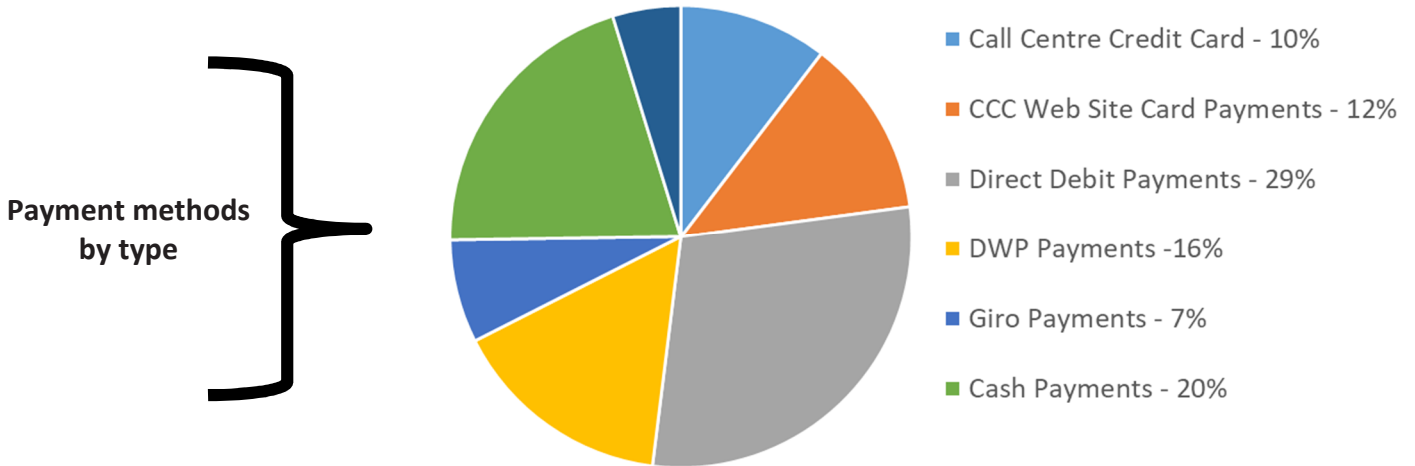
We know that 84% of our lead tenants are white British. A further 13% did not provide information about their ethnic group.



## Universal Credit Tenant Payment Profile

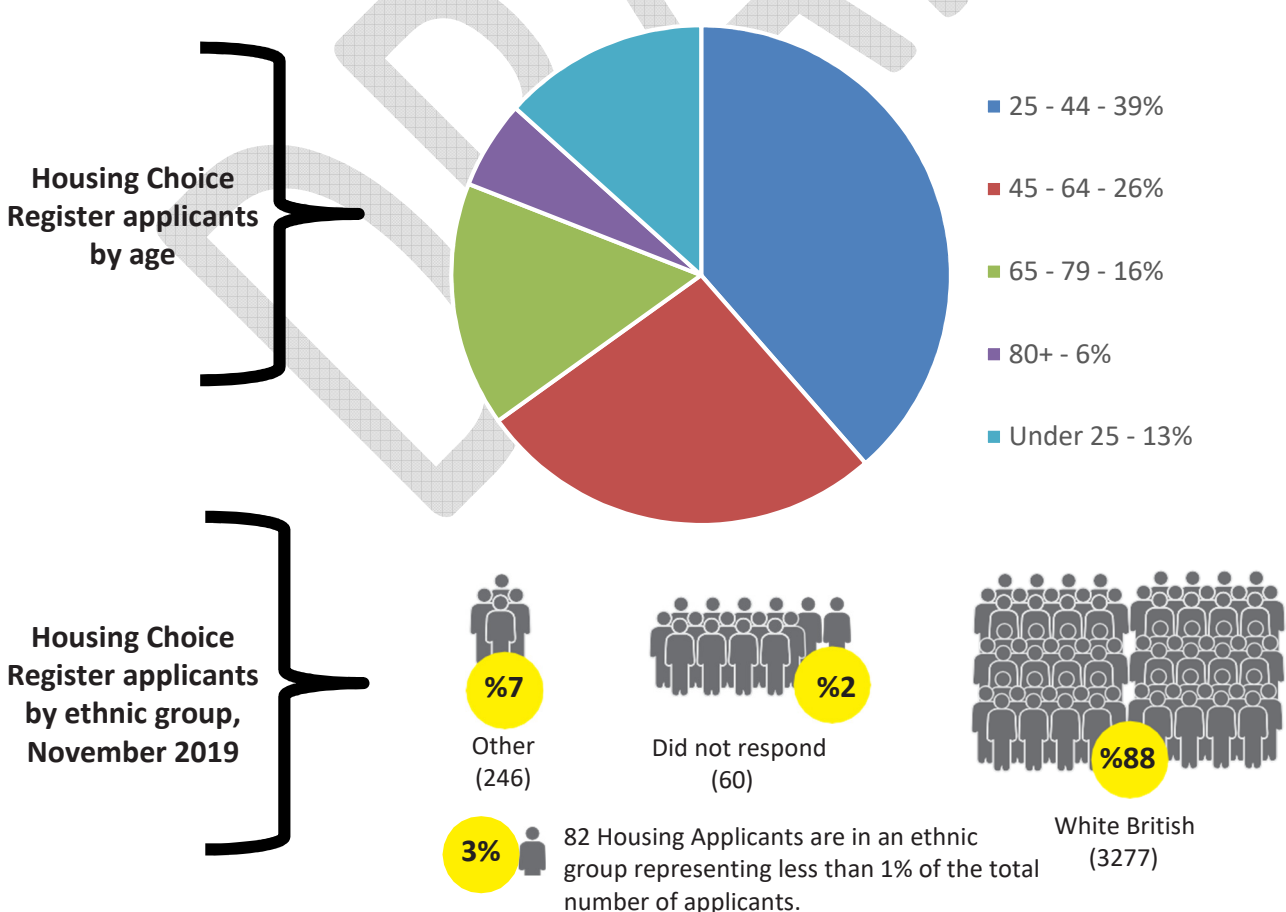
For tenants currently claiming Universal Credit, we know that 29% are paying their rent by direct debit. A further 16% are receiving Universal Credit Payments direct to CCC.

### Tenant Payment methods



### Housing Choice Applicants

We know that 39% of our lead applicants are aged 25 to 44 with a further 13% aged under 25. 6% are aged 80+ and the remaining 42% are aged 45 to 79. We know that 88% are white British and a further 2% of our lead applicants did not provide information about their ethnic group.



## Appendix C: How Happy Tenants are with the Services we Provide

During 2019 we have continued to engage with tenants and other stakeholders in a number of ways. We have recently received feedback from a STAR Resident Satisfaction Survey that provided us with an overall summary for how satisfied tenants are with the overall services we provide as a Council.

The results are provided below:



Neighbourhood Services

85%

Satisfied with neighbourhood as a place to live

66%

Satisfied with the grounds maintenance service

Communication

58%

Satisfied with the way the Council deals with ASB

Rural areas such as Cynwyl Elfed, St Ishmael and Gorslas has almost unanimous satisfaction

Satisfaction was significantly lower in urban areas of North and West Carmarthen, Eastern Llanelli and Ammanford

Ground maintenance satisfaction was on par with other landlords

Dealing with ASB was a secondary key driver of satisfaction

Satisfaction was lowest for 35-49-year olds

Some correlation between ASB satisfaction and rating for the neighbourhood overall

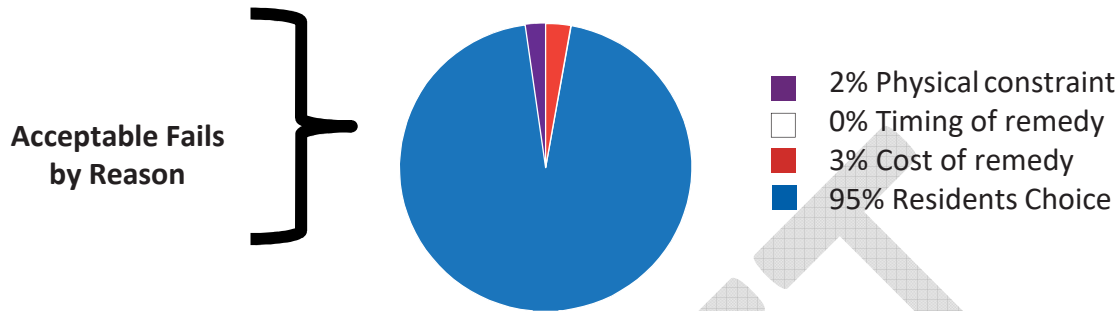
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## Appendix D: Acceptable Fails

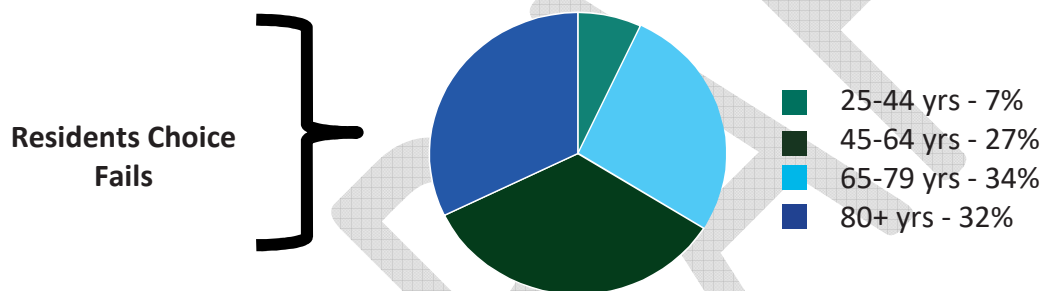
The Welsh Government Outlines ‘acceptable fails’ as a home which meets the standard but has not had all works carried out to make it full compliant. There are different reasons for why these acceptable fails would occur.

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.



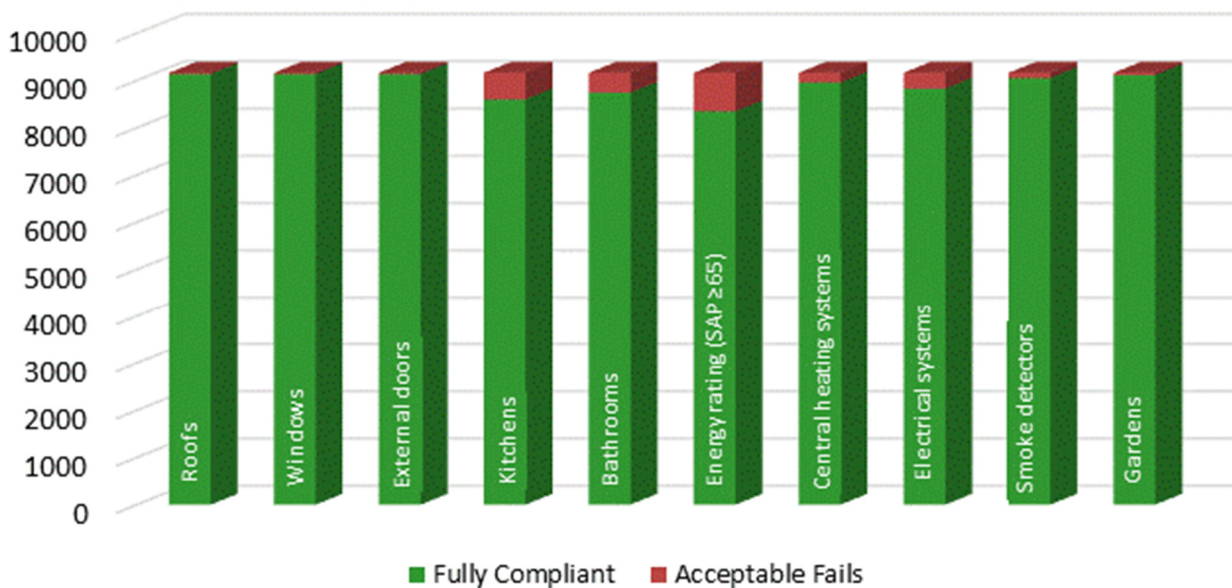
We know that 95% of our acceptable fails are as a result of residents’ choice. The remaining 5% being the cost of the remedy or physical constraints.

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.



## 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+.



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# Achieving and Maintaining the Carmarthenshire Homes' Standard Plus

## Appendix E – CHS+ Compliance Policy

February 2020



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1. The purpose.....	2
2. The context.....	2
3. Our approach to achieving and maintaining the CHS+ in the future.....	3
• What is our policy statement?	
• How have we developed the approach?	
• What are tenants telling us?	
• 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 out 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 2020/23 business plan covers two key themes that have been identified in terms of future investment. These are:

- 1. THEME 1- Supporting tenants and residents.**
- 2. THEME 2- Investing in our Homes' and the Environment.**
- 3. THEME 3 - 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 2020-23. It will also identify any current gaps, and how they will be addressed, to deliver the standard in the future.

<p><b>What is our policy statement?</b></p>	<p>In 2015 we achieved the CHS+ to homes where tenants have agreed to have work completed - well before WG's target of December 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"> <li>• in a good state of repair;</li> <li>• free from damp;</li> <li>• free from significant condensation;</li> <li>• structurally stable;</li> <li>• in safe and attractive environments;</li> <li>• suitable for the household; and</li> <li>• managed to the CHS+</li> </ul>
<p><b>How have we developed the approach?</b></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+ in the future.</p> <p><b><i>Tenant and residents' engagement and communication</i></b></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>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: -</p> <p style="text-align: center;"><i>"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".</i></p>

**What are tenants telling us?**

During the summer months we undertook a tenant satisfaction survey. In total, 2,087 tenants took part in the survey, which represented a 29% response rate overall. A quarter of the total number of responses was collected online (513), and 82 surveys were completed in Welsh (4%).

**What were the headline results and how do they compare with others?**

Tenant Satisfaction across the housing sector in Wales <sup>1</sup>				
Question?	Housing Assoc.	Voluntary Transfer	Retained Councils	CCC
Satisfaction with: service	90%	83%	78%	<b>82%</b>
repairs and maintenance	81%	78%	71%	<b>75%</b>
listening and acting on tenants' views	76%	73%	61%	<b>64%</b>

**What happens next?**

- Further in depth analyse of results to get better understanding of differences in satisfaction rates by age, by ward and property type;
- Revamping of our approach to the way we listen and act on tenant’s views;
- Using results to inform our service planning and developing and implementing actions to further improve rates.

**Further Development and new opportunities**

**Retrofitting our existing housing stock with low carbon technology**

As part of developing our decarbonisation plans, we are working with the Welsh School of Architecture at Cardiff University 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 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 will 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 – Decarbonising Council Homes***

Aligning with the above work, 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 and we are currently developing a model that could contribute to reducing CO2 emissions, enable affordable warmth, improve health outcomes and reduce the burden on social care and healthcare whilst developing a local supply chain.



We believe adopting a partnership approach will offer us the greatest opportunity to deliver our ambitions, keep up with emerging and developing technology, provide the opportunity to monitor the impact on tenant’s bills and health and adjust our programmes accordingly. We will work in partnership to develop and deliver the Decarbonising Council Homes model:

## *Decarbonising Council Homes - How will the model work?*

- **Make Fabric Energy Efficient** – we will ensure that our extensive new house build and retrofit programmes integrates new technologies to allow homes to generate, store and release energy;
- **Monitoring, Evaluation, Development, Training, Skills** – we will focus on smart technologies in relation to energy demand management and ensure that we incorporate leading research to monitor the effectiveness of emerging technologies. We will aim to attract new sector supply chains and high value manufacturing and construction operations to deliver the skills and services we need to meet our ambitious plans.
- **Reduce Demand – Tenant Behaviour** – we will help tenants to better understand their fuel use and living environment. We will work with tenants to provide training on the use of the new technologies installed in their homes and provide remote assistance for those that need it.
- **Off Grid Solutions – Decarbonise Supply** – we will explore our natural environment and harness off grid energy sources such as wind and water. To help to generate sustainable and affordable energy to homes and address fuel poverty.

To further develop the model and establish the appetite of the market we will carry out an Early Market Engagement (EME) exercise in 2020/21. This will inform us on how best to approach and deliver the project.

### *Approach to fire management*

Our approach to reviewing fire risk assessments for our purpose-built blocks of flats, including sheltered schemes 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 CHS+ Working Group, as set out in our governance structure.

### *Radon Testing Programme*

Following guidance issued by the Welsh Government, Public Health Wales and Public Health England (PHE), Carmarthenshire County Council are undertaking a programme of radon testing in all our properties located in areas where there is a higher probability of radon levels. All landlords are required to do this as standard practice.

Officers from the Council will contact tenants and visit their homes to install the detectors, one in the living room and one in a bedroom. Radon detectors are safe and simple to use and can be placed discreetly on cupboards / wardrobes / shelves etc.

The detectors will need to remain in place for a period of 3 months, and at the end of the test period will be collected by our officers and sent to PHE for analysis. We will contact tenants with the results and let them know if we need to act in their home to reduce radon levels to as low as possible.

### ***Older people's future housing***

The evidence of what is needed to meet older people's future housing and accommodation requirements suggests that a sophisticated mix of housing models and approaches will be required over the next 10-20 years. This range covers general needs housing, specialist housing (i.e. housing specifically for older people) and care-based provision (residential/ nursing care, hospital-based care).

### ***Investing in sheltered housing***

Demand for our sheltered housing remains high generally, but we need to ensure that the right type of support and facilities are 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 programme of upgrading. As part of our programme we continue to challenge whether schemes will meet the expectations of future residents over the next 10 to 20 years.

### ***Developing assisted living options for older people***

We will consider the requirements and options to develop independent and supported living at Delta Lakes, Llanelli, for rent and for sale. This will include options for older people with learning disabilities and older people living with mental health conditions. The Delta Lakes development will contribute to our ambitious programme to deliver over 1000 new affordable homes over the next 10 years.

### ***Assisting with regeneration plans***

In 2018 the Council worked with 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.

Residents and stakeholders identified the following issues:

- Tackling drug taking/anti-social behaviour and crime;

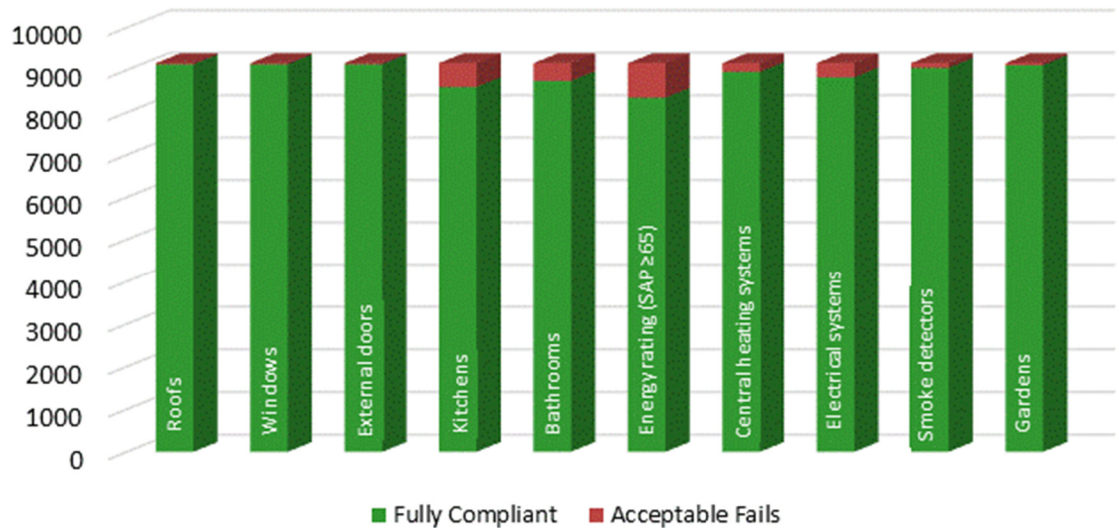


- Improving the environment in general, including addressing the issues of traffic, providing better transport links, parking, litter and fly tipping;
- Addressing low demand and associated anti-social behaviour at current housing accommodation, the 4 Ty's, Clos Sant Paul and the private rented sector as a whole; and
- Creating more community facilities and opportunities for education, training and employment.

We have developed a transformational plan for the area. The main elements involve developing the area around the Railway Station to create a gateway into the town to include new housing, environmental and street scene enhancements. We have moved these plans forward and gained agreement from Executive Board to develop an action plan.

***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+.



The previous CHS+ Business Plan 2019-2022 has achieved a number of notable successes over the last 12 months: -

***We have:***

- Spent over £15m to maintain the CHS+ in tenants' homes;
- Delivered nearly 1000 affordable homes in four years;
- Completed 530 adaptations, with over £1.9m being invested to ensure tenants' homes meet their needs;
- Conducted a STAR tenant satisfaction survey. A questionnaire was sent out to 5,000 tenants selected at random achieving an impressive 29% response rate;
- Introduced "our approach to tenant involvement" which sets out our vision for future tenant engagement and involvement in strategic decisions;

- Developed a three-year Community and Environment Programme of works to be carried out on estates, helping to improve the health and well-being of our tenants;
- Carried out over 30 community tidy up events;
- Adapted the planning for real model (an innovative approach to community engagement used in the Tyisha area in Llanelli), successfully engaging with the community, stakeholders and partners to produce themed action plans;
- Managed improvements and lettings of over 800 homes, including new homes added to our stock;
- Started to build over 30 Council new build homes at Dylan and Garreglwyd;
- Housed over 60 households who have specific needs through our Accessible Housing Register (AHR);
- Registered over 3000 applicants for our Choice Based Letting scheme, Canfod Cartref, giving tenants more choice, which will make tenancies more sustainable; and
- Successfully managed the transition of 1200 tenants onto the Universal Credit system.

***What have been the wider benefits of delivering the CHS+?***

### ***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 2018/19, two contractors were used through the South West Wales Regional Contractors Framework. Approximately £800,000 of CHS+ works were carried out in total via the framework, achieving the following results:

- For every £1 spent, £1.61 was reinvested into the Welsh economy;
- 53% of the total expenditure was spent on businesses based in Wales
- £57,765 was contributed to the Welsh economy in the form of cash contributions or sponsorships
- £6,700 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
- people were hired during this period who were previously unemployed, and who will continue to be employed;
- Over 49 weeks of training was provided, including:
  - 3 apprenticeships started and over 21 weeks carried out;
  - 2 work experience / internship opportunities were started and completed with over 21 weeks completed in total;

- 2 accredited training opportunities were completed with over 5 weeks in total; and;
- 8 non-accredited training opportunities were completed with over 2 weeks in total.

***How will we go about maintaining the CHS+ in the future?***

Our agreed assumptions that the standard of our homes will be to the CHS+ and replacement programmes will be based on condition, not time.

Our on-going consultation has identified five key themes in this area:

- **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;
- **Void Homes and Safer Communities** – make void properties available for letting as quickly as possible, minimising rent loss and maximising the housing available, whilst striving to meet CHS+; 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 investment required to address these themes have been built into the HRA Capital Programme 2020/2023:

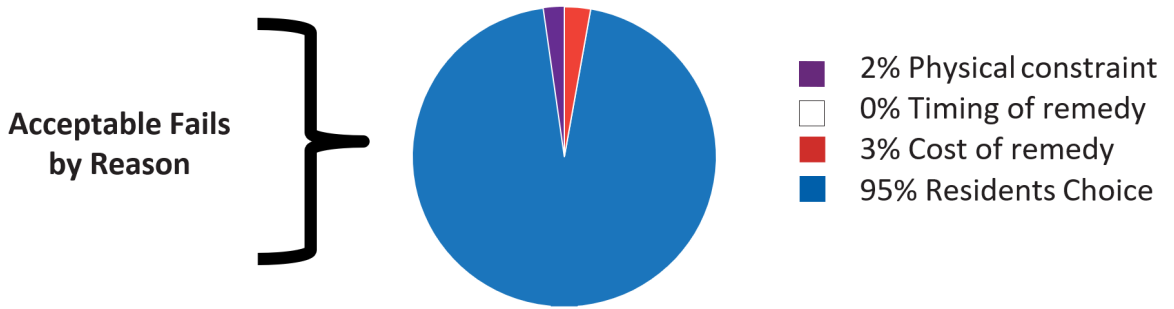
<b>CAPITAL SPENDING TO: -</b>	<b>Budget 2020/21</b>	<b>Budget 2021/22</b>	<b>Budget 2022/23</b>
	(£000s)	(£000s)	(£000s)
<b>Maintain the standard:</b>			
Internal works - kitchens, bathrooms, electrics, heating	1,263	1,248	1,300
EWI, Render and Fascia (inc. gardens)	2,756	2,500	2,500
Roofing	1,800	1,680	1,764
Structural works - Estates and boundary walls (inc. identified structural works)	1,435	785	170
Voids and Major Works to homes	3,000	2,500	2,000
External Works	180	150	150
Decants	150	150	150
<b>Support Tenant and Residents:</b>			
Sheltered Scheme Investment	3,020	2,270	2,270
Adaptations	1,500	1,500	1,500
Environmental works	380	380	380
<b>Provide more affordable homes:</b>			
Housing Development Programme	16,000	19,195	16,430
<b>Decarbonisation:</b>			
Works to deliver decarbonisation	1,671	1,458	1,425
<b>Support the delivery of CHS+:</b>			
Programme management	643	656	669
Stock condition information	100	100	100
Risk Reduction Measures	598	417	417
Sewerage treatment works & associated costs	184	220	160
<b>TOTAL</b>	<b>34,680</b>	<b>35,209</b>	<b>31,385</b>

<b>CAPITAL FUNDING FROM: -</b>	<b>Budget 2020/21</b>	<b>Budget 2021/22</b>	<b>Budget 2022/23</b>
	(£000s)	(£000s)	(£000s)
Welsh Government Grant - MRA	6,120	6,120	6,120
Welsh Government Grant - IHP & other	3,800	900	5,000
Direct Revenue Financing	10,000	10,000	13,281
External Borrowing	14,760	18,189	6,984
<b>TOTAL</b>	<b>34,680</b>	<b>35,209</b>	<b>31,385</b>

**How will we deal with homes that do not currently meet the CHS+?**

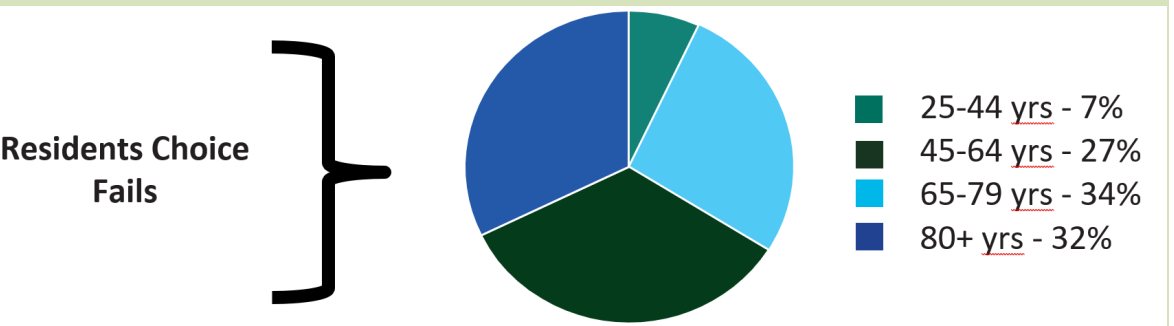
There are some homes that currently fail to meet the CHS+. These are known as “acceptable fails”.

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.

For empty homes where there is some or all of the CHS+ work to be completed we will 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;
- Make void properties available for letting as quickly as possible, minimising rent loss and maximising the housing available, whilst striving to meet CHS+;
- Ensuring every new tenant receives relevant information about their new home including 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.

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;
- Gaining access to ensure that the necessary works are completed; and
- Installing 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***

As well as our reporting mechanisms to Welsh Government our CHS+ compliance is monitored and reported through a robust governance structure that includes: (Subject to change)

***progress on the CHS+?***

- A cross departmental Director led Housing and Regeneration Strategic Team
- 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
- Tenant Involvement through challenge panel, community events, social media, single issue meetings and tenant feedback.

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 numbers of input, 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 (or as soon afterwards), if the prospective tenant requests it;
- 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 and Members;
- 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 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.

***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.

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 balancing investment in maintaining the existing standard, introducing new measures to support decarbonisation and continuing to deliver our ambitions housing and regeneration development programme.

All risks are monitored by the CHS+ Working 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 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.

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 external support, where necessary to undertake desktop reviews;
- Commencing a sample programme of stock condition visits every year;
- Asking tenants how they would like to be part of the process of verification;
- Continuing to use a range of methods to assess compliance. Some data is already independently collected, e.g. boiler inspections, EPCs and electrical tests; and
- Providing 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 24<sup>th</sup> February 2020

<b>Subject</b>		
<b>Purpose: Treasury Management Policy and Strategy 2020-21</b>		
<b>Recommendations / key decisions required:</b>		
<ol style="list-style-type: none"> <li>1. That Council formally approves the Treasury Management Policy and Strategy for 2020-21 and recommendations therein.</li> <li>2. That Council formally approves the Treasury Management Indicators, Prudential Indicators, the MRP Statement, the Investment Strategy and recommendations therein.</li> </ol>		
<b>Reasons:</b>		
<b>To comply with the Revised CIPFA Prudential Code and the Revised CIPFA Treasury Management Code of Practice 2017.</b>		
<b>PEB :</b>		
Relevant scrutiny committee to be consulted		
<b>YES</b>		
Scrutiny committee and date		
<b>Policy &amp; Resources Scrutiny Committee 27<sup>th</sup> January 2020</b>		
Exec Board Decision Required	YES	
Council Decision Required	YES	
<b>EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. D.M. Jenkins</b>		
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**  
**24<sup>th</sup> February 2020**

**SUBJECT**

Treasury Management Policy and Strategy 2020-21

**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
<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

### 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 3<sup>rd</sup> March 2020.

# 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 27<sup>th</sup> January 2020.**

**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**

<b>Title of Document</b>	<b>File Ref No.</b>	<b>Locations that the papers are available for public inspection</b>
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: 24<sup>th</sup> FEBRUARY 2020**

**REPORT OF THE DIRECTOR OF CORPORATE SERVICES**

**TREASURY MANAGEMENT POLICY AND STRATEGY 2020-2021**

**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 (including loans and other non specified investments) 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 consideration of appropriate investment management and the 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 2020-2021**

### **1. INTRODUCTION**

- 1.1 The Treasury Management Strategy provides details of the expected activities of the Treasury Management function in the financial year 2020-21.
- 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 2020-21 are:

2.2.1 Interest rate exposure limits for 2020-21 are estimated as follows:

Estimated Average Position for 2020-21			
	Fixed Interest Rate	Variable Interest Rate	Total
	£m	£m	£m
Borrowed	+445	+3	+448
Invested	(20)	(30)	(50)
<b>Net Debt</b>	<b>+425</b>	<b>(27)</b>	<b>+398</b>
<b>Proportion of Total Net Debt</b>	<b>+107%</b>	<b>(7%)</b>	<b>+100%</b>

It is recommended that the following maximum exposure limits are adopted:

	Fixed Interest Rate	Variable Interest Rate
<b>Proportion of Total Net Debt</b>	<b>+125%</b>	<b>+5%</b>

2.2.2 It is recommended that the following exposure limits for 2020-21, 2021-22 and 2022-23 are adopted:

Interest Rate Exposures	2020-21	2021-22	2022-23
	Upper	Upper	Upper
	£m	£m	£m
<b>Limits on fixed interest rates based on net debt</b>	<b>510</b>	<b>540</b>	<b>548</b>
<b>Limits on variable interest rates based on net debt</b>	<b>51</b>	<b>54</b>	<b>55</b>

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
<b>Under 12 months</b>	<b>15%</b>	<b>0%</b>
<b>12 months to 2 years</b>	<b>15%</b>	<b>0%</b>
<b>2 years to 5 years</b>	<b>50%</b>	<b>0%</b>
<b>5 years to 10 years</b>	<b>50%</b>	<b>0%</b>
<b>10 years to 20 years</b>	<b>50%</b>	<b>0%</b>
<b>20 years to 30 years</b>	<b>50%</b>	<b>0%</b>
<b>30 years to 40 years</b>	<b>50%</b>	<b>0%</b>
<b>40 years and above</b>	<b>50%</b>	<b>0%</b>

**2.2.4 Maximum principal sums invested longer than 365 days:**

	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Maximum principal sums invested longer than 365 days</b>	<b>10</b>	<b>10</b>	<b>10</b>

**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:

	<b>Current</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Average Bank Rate	0.75	0.81	1.00	1.25

**4. BORROWING STRATEGY 2020-21 – 2022-23**

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 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 2020-21 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 £29m for the Carmarthenshire led projects within the Swansea Bay City Deal partnership from 2020-21 to 2022-23.

#### **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 2020-21 – 2022-23

### 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

2017 Revised CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes

CIPFA Treasury Management Guidance Notes 2018

Welsh Government's Guidance on Local Government Investments 2019 ("the Guidance")

#### 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 something held or a transaction which relies upon the power in section 12 of the 2003 Act<sup>1</sup>. That is for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs. This covers all of the financial and non-financial assets a local authority has invested money into primarily or partially for the purpose of generating a surplus including investment property. As such this may include investments that are not managed as part of normal treasury management processes or under treasury management delegations (such as loans to third parties or other non specified 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 (per institution):					
- 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 2020-21 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 due diligence covering Profit and Loss, Balance Sheet, cash flow monitoring, etc, 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.

## 5.6 **CLIMATE CHANGE**

Where possible, consideration will be the disclosure of long term climate risks associated with investments, though in regard to treasury investments, any tangible information will be limited. Greater disclosure for non specified investments and loans to third parties may be appropriate depending on the type of activity.

## 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 2020-21.



## 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 2020-21 and recommendations therein.**
2. **That Council formally approves the Treasury Management Indicators, Prudential Indicators, the MRP Statement, the Investment Strategy 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.

1.6

## **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.

1.7

## **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.

1.8

**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.

1.9

**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.

TMP2

**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, including the MRP and Investment policies
- 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 ANTI-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 apprised 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.

<b>Long term rating</b>	<b>1 year</b>	<b>2 years</b>	<b>3 years</b>
<b>AAA</b>	<b>0.04%</b>	<b>0.10%</b>	<b>0.17%</b>
<b>AA (includes AA- and AA+)</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.09%</b>
<b>A</b>	<b>0.05%</b>	<b>0.14%</b>	<b>0.26%</b>
<b>BBB</b>	<b>0.15%</b>	<b>0.42%</b>	<b>0.73%</b>
<b>BB</b>	<b>0.68%</b>	<b>1.92%</b>	<b>3.34%</b>
<b>B</b>	<b>2.80%</b>	<b>6.78%</b>	<b>10.40%</b>
<b>CCC</b>	<b>18.82%</b>	<b>26.40%</b>	<b>31.62%</b>

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:

- **0.17% historic risk of default when compared to the whole portfolio.**

In addition, the security benchmark for each individual year is:

	<b>1 year</b>	<b>2 years</b>	<b>3 years</b>
<b>Maximum</b>	<b>0.04%</b>	<b>0.10%</b>	<b>0.17%</b>

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 2020-2021  
(as at 13th January 2020)**

	<u>Fitch</u>		<u>Moody's</u>		<u>Standard and Poors</u>		<u>Money</u>	<u>Time</u>
	<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>Limit £'m</u>	<u>Limit years</u>
<b><u>Upper Limit</u></b>	<b><u>F1</u></b>	<b><u>AA-</u></b>	<b><u>P-1</u></b>	<b><u>Aa3</u></b>	<b><u>A-1</u></b>	<b><u>AA-</u></b>	<b><u>10</u></b>	<b><u>3</u></b>
<b>UK Banks</b>								
<b><u>Middle Limit</u></b>	<b><u>F1</u></b>	<b><u>A</u></b>	<b><u>P-1</u></b>	<b><u>A2</u></b>	<b><u>A-1</u></b>	<b><u>A</u></b>	<b><u>7</u></b>	<b><u>1</u></b>
<b>UK Banks</b>								
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
HSBC Bank Plc	F1+	A+	P-1	Aa3	A-1+	AA-	7	1
Lloyds Banking Group - Bank of Scotland Plc - Lloyds Bank	F1	A+	P-1	Aa3	A-1	A+	7	1
	F1	A+	P-1	Aa3	A-1	A+	7	1
<b>UK Building Societies</b>								
Nationwide	F1	A	P-1	Aa3	A-1	A	7	1
<b><u>UK Banks Part Nationalised</u></b>								
Royal Bank of Scotland Group - National Westminster Bank Plc - Royal Bank of Scotland Plc							7	1
							7	1
<b><u>Council's Banker</u></b>								
							3	1 day
<b><u>Other Institution Limits</u></b>								
<b>Local Authorities</b>								
Any One Local Authority (including police and fire authority)							5	1
<b>Money Market Funds</b>								
Any AAA Rated Money Market Fund CNAV							5	1
<b>Money Market Funds</b>								
Any AAA Rated Money Market Fund LVNAV							5	1
<b>Debt Management Office</b>								
							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.

	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Non-HRA	4.74%	4.81%	5.39%
HRA (inclusive of settlement figure)	33.93%	34.21%	34.58%

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 2021/2022 is a 2% increase on 2020/2021 and for 2022/23 a 2% estimated increase on 2021/2022.

**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	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Non-HRA	282	299	305
HRA	176	190	193
HRAS*	71	70	69
<b>TOTAL</b>	<b>529</b>	<b>559</b>	<b>567</b>

### 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 (2018/19) 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 2018/19 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	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Debt at 1 <sup>st</sup> April	400	413	433	470	530
Expected Change in Debt	13	20	37	60	37
<b>Gross debt at 31<sup>st</sup> March</b>	<b>413</b>	<b>433</b>	<b>470</b>	<b>530</b>	<b>567</b>
<b>CFR</b>	<b>484</b>	<b>516</b>	<b>529</b>	<b>559</b>	<b>567</b>
<b>Under / (Over) borrowing</b>	<b>71</b>	<b>83</b>	<b>59</b>	<b>29</b>	<b>0</b>

### 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	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Borrowing	568.5	641.5	683.5
Other Long-Term Liabilities	0.5	0.5	0.5
Total	569.0	642.0	684.0

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	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Borrowing	516.9	582.9	620.9
Other Long-Term Liabilities	0.1	0.1	0.1
Total	517.0	583.0	621.0

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 31<sup>st</sup> March 2019 was £413m. 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. These indicators may be affected once information is collated for the new lease requirements under IFRS 16 from 2020/21.**

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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). It is also required to charge an element of the accumulated HRA capital spend in line with Welsh Government requirements.

Welsh Government regulations were issued with effect from 1<sup>st</sup> 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 2.5% of the opening Capital Financing Requirement (CFR) each year on a 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) 21<sup>st</sup> 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 2020/2021:**

**For Supported and Unsupported Capital Expenditure, the MRP policy will continue to follow the approaches above.**

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## EXECUTIVE BOARD 24<sup>TH</sup> FEBRUARY 2020

### SUBJECT:

## Business Rates – High Street and Retail Rates Relief Scheme 2020/21

### Purpose:

To consider the adoption of a rate relief scheme being made available to billing authorities by Welsh Government for 2020/21

### RECOMMENDATIONS / KEY DECISIONS REQUIRED:

It is recommended that the 2020/21 High Street and Retail Rates Relief scheme outlined in this report be adopted by Executive Board

### REASONS:

The proposed scheme will reduce the 2020/21 business rates liability for qualifying businesses, at no cost to the Authority.

### Relevant scrutiny committee to be consulted - NA

Exec Board Decision Required                      YES

Council Decision Required                      No

**Directorate: Corporate Services**

**Executive Board Member:**

Cllr. David Jenkins

**Name of Head of Service:**

Helen Pugh

**Report Author:**

Ann Thomas

**Designations:**

Head of Revenues & Financial  
Compliance

Revenue Services Manager

**Tel No.**

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# EXECUTIVE SUMMARY

## Executive Board– 24<sup>th</sup> February 2020

### Business Rates – High Street and Retail Rates Relief Scheme 2020/21

#### 1. Background

- 1.1. Welsh Government introduced a “**High Street Rate Relief scheme**” for 2017/18, 2018/19 and 2019/20, and have recently confirmed that the High Street and Retail Rates Relief Scheme will be extended to 2020/21.
- 1.2. The 2020-21 scheme is not limited to high street premises but will include all properties within Wales meeting the wider retail criteria. The scheme aims to provide support for eligible retail businesses for 2020/21 by offering a discount of up to £2,500 on the non-domestic rates bill for a property, to retailers occupying premises with a rateable value of £50,000, subject to State Aid limits.
- 1.3. Welsh Government has indicated the types of business that they consider appropriate for this relief, and those which are not. The non-exhaustive list of business types is given in **Appendix A**
- 1.4. As was the case previously, this is a temporary measure which means Welsh Government is not making any legislative changes but instead will allow billing authorities to grant relief under the general discretionary relief powers available under section 47 of the Local Government (Finance) Act 1988. However, being a discretionary power, it is necessary for Council to formally adopt the scheme.
- 1.5. The scheme is fully funded and therefore at no cost to the authority provided relief is granted in accordance with the Welsh Government guidelines.

#### 2. High Street and Retail Rates Relief scheme 2020/21

- 2.1. The total amount of government funded relief available for each property for 12 months under this scheme is up to £2500.
- 2.2. Eligible ratepayers will be retailers whose properties have a rateable value of between £6,001 and £50,000 on 1<sup>st</sup> April 2020 and who meet the retail criteria.
- 2.3. This relief can be awarded in addition to Small Business Rate Relief and the High Street Relief will be applied against the net bill after this relief has been applied.
- 2.4. When calculating the relief if the net liability before High Street and Retail Rates Relief is £2,500 or less the maximum amount of this relief will be no more than the value of the net rate liability.

#### 3. Other Factors

- 3.1. The scheme guidelines also confirm that premises will not attract relief despite being retail in nature if they are:
    - i. Hereditaments with a rateable value of more than £50,000
    - ii. Not reasonably accessible to visiting members of the public
    - iii. Unoccupied
    - iv. Already qualify for charitable rate relief
- Hereditaments that are owned, rented or managed by a local authority



- 3.2. As the granting of relief is discretionary, authorities may choose not to grant the relief if they consider that it would go against the authority's wider objectives for the local area.
- 3.3. Qualifying properties must be occupied and used *wholly or mainly* as a shop, restaurant, café or drinking establishment, it is therefore a test on use rather than occupation
- 3.4. Eligibility for the relief will be calculated based on the circumstances of the property and ratepayer as at 1 April 2020. Changes to properties which occur after this date will have no impact on eligibility for this relief.
- 3.5. Empty properties becoming occupied after 1 April 2020 will qualify for this relief. Also, if there is a change in occupier part way through the financial year after relief has already been provided, the new occupier will qualify for the relief on a pro-rata basis based on the remaining days of occupation.
- 3.6. Ratepayers that occupy premises with a Rateable Value exceeding £50,000 will not qualify for this relief, but authorities have other discretionary powers to reduce rates liability (such as Hardship Relief) in cases where it is considered appropriate.
- 3.7. Ratepayers will be subject to State Aid limits and will therefore be required to inform authorities if the granting of this relief would exceed the threshold for State Aid (this will be most relevant for companies with a large number of outlets, nationwide)

#### **4. Scheme Adoption**

- 4.1. As this is a temporary measure Welsh Government are providing the relief by reimbursing local authorities that use their discretionary powers under Section 47 of the Local Government Finance Act 1988, it is appropriate for the Council to formally adopt the scheme.

It is therefore recommended that:

- a) The High Street Rate Relief Scheme be adopted for 2020/21
- b) Relief be granted in accordance with the Welsh Government guidelines
- c) Applications that are not specifically covered by the guidelines or otherwise require specific consideration, to be determined by the Executive Board Member for Resources

<b>DETAILED REPORT ATTACHED?</b>	<b>No</b>
----------------------------------	-----------

# 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 Resources**

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

## 1. Policy, Crime & Disorder and Equalities

## 2. Legal

The decision on whether or not to adopt these schemes is an Executive function.

## 3. Finance

The relief granted under the scheme is fully funded, provided Welsh Government guidelines in terms of qualifying ratepayers, are adhered to.

# CONSULTATIONS

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

Signed: Helen Pugh

Head of Head of Revenues & Financial  
Compliance

**1. Scrutiny Committee**

N/A

**2. Local Member(s)**

N/A

**3. Community / Town Council**

N/A

**4. Relevant Partners**

N/A

**5. Staff Side Representatives and other Organisations**

N/A

**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
<b>Business Rates – High Street Rate Retail Scheme</b> (various documents)	N/A	<b>File Plan (Finance/Local Taxation/Retail Rate Relief)</b>

## **Appendix A -**

### **Qualifying & Non-Qualifying Premises (extract from Welsh Government Guidelines)**

*“It is intended that, for the purposes of this scheme, high street properties such as, “shops, restaurants, cafes and drinking establishments” will mean the following (subject to the other criteria in this guidance).*

#### **i. Hereditaments that are being used for the sale of goods to visiting members of the public**

- Shops (such as florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licences, newsagents, hardware stores, supermarkets, etc)
- Opticians
- Pharmacies
- Post offices
- Furnishing shops or display rooms (such as carpet shops, double glazing, garage doors)
- Car or caravan showrooms & Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale or hire)

#### **ii. Hereditaments that are being used for the provision of the following services to visiting members of the public**

- Hair and beauty services
- Shoe repairs or key cutting
- Travel agents
- Ticket offices, eg. for theatre
- Dry cleaners & Launderettes
- PC, TV or domestic appliance repair
- Funeral directors
- Photo processing
- DVD or video rentals
- Tool hire
- Car hire
- Cinemas
- Estate and letting agents

#### **iii. Hereditaments that are being used for the sale of food and / or drink to visiting members of the public**

- Restaurants
- Drive-through or drive-in restaurants
- Takeaways
- Sandwich shops
- Cafés
- Coffee shops
- Pubs & Wine Bars

“The list set out above is not intended to be exhaustive as it would be impossible to list all the many and varied high street retail uses that exist.

There will also be mixed uses. However, it is intended to be a guide for local authorities as to the types of uses that the Welsh Government considers for this purpose to be high street and retail. Local authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief”

### **Types of hereditaments that are not considered to be eligible for the high street relief**

The list below sets out the types of uses that the Welsh Government does not consider to be high street retail use for the purpose of this relief and would not be deemed eligible for the relief. However, it will be for local authorities to determine if hereditaments are similar in nature to those listed below and if they would not be eligible for relief under the scheme.

#### ***Hereditaments that are being used wholly or mainly for the provision of the following services to visiting members of the public***

- Financial services (eg. banks, building societies, cash points, ATMs, bureaux de change, payday lenders, betting shops, pawn brokers)
- Medical services (eg. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (eg. solicitors, accountants, insurance agents, financial advisers, tutors)
- Post office sorting office
- Tourism accommodation, eg. B&Bs, hotel accommodation and caravan parks
- Sports clubs
- Children’s play centres
- Day nurseries
- Outdoor activity centres
- Gyms
- Kennels and catteries
- Show homes and marketing suites
- Employment agencies

There are a number of further types of hereditaments which the Welsh Government believes should not be eligible for the high street relief scheme:

**ii. *Hereditaments with a rateable value of more than £50,000***

**iii. *Hereditaments that are not reasonably accessible to visiting members of the public***

**iv. *Hereditaments that are not occupied***

**v. *Hereditaments that are owned, rented or managed by a local authority***

**vi. *Hereditaments that are in receipt of mandatory charitable rates relief***

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## Executive Board Meeting

24.02.20

<b>Subject and Purpose:</b>	
Model Teachers' Pay Policy 2019/20	
<b>Recommendations / Key Decisions Required:</b>	
To endorse the Model Teachers' Pay Policy 2019/20 prior to circulation to Schools for formal adoption by their Governing Bodies.	
<b>Reasons:</b>	
The Model Teachers' Pay Policy has been updated to reflect September 2019 pay award as detailed in the School Teachers' Pay and Conditions (Wales) Document 2019.	
Executive Board Decision Required	YES
Council Decision Required	NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER: Cllr. Mair Stephens; Cllr. Glynog Davies

**Directorate:** Chief Executive's / People Management; Education & Children's Services

<b>Name of Head of Service:</b>	<b>Designations:</b>	<b>Tel Nos.:</b> <b>E-Mail Addresses:</b>
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Gareth Morgans	Interim Director of Education & Children's Services	01267 224888 <a href="mailto:EDGMorgans@sirgar.gov.uk">EDGMorgans@sirgar.gov.uk</a>
<b>Report Author:</b> Julie Stuart	Senior HR Business Partner	01267 246375 <a href="mailto:JStuart@sirgar.gov.uk">JStuart@sirgar.gov.uk</a>

**EXECUTIVE SUMMARY**  
**EXECUTIVE BOARD MEETING**  
**24.02.20**

**SUBJECT**

Model Teachers' Pay Policy 2019/20

**1. BRIEF SUMMARY OF PURPOSE OF REPORT**

All schools are required to adopt a pay policy that sets out the basis on which it determines teachers' pay and the date by which it will determine the teachers' annual pay review and also establish procedures for addressing teachers' grievances in relation to their pay. The document called School Teachers' Pay and Conditions (Wales) Document (STP&C(W)D) is updated each year which can lead to amendments in the model pay policy offered to schools.

This revised model Pay Policy has been updated to reflect September 2019 pay award as detailed in the School Teachers' Pay and Conditions (Wales) Document 2019. The HR Group of the Education Regional Working (ERW) Consortium has updated the current Pay Policy to be offered to all schools across the region. The ERW Consortium consists of the following County Councils, Carmarthenshire, Ceredigion, Neath & Port Talbot, Pembrokeshire and Powys and City of Swansea.

Teaching associations have been fully consulted on the Model Teachers' Pay Policy 2019/20, both regionally and locally.

The ERW region developed a regional Model Teachers' Pay Policy which it can distribute to schools for consideration and adoption by governing bodies. This policy encompasses the changes to teachers' pay arrangements as outlined in the STPC(W)D 2019 and will assist in achieving a high level of consistency across the region.

Each Local Authority is going through their individual Council process for endorsement of the policy and ERW advice to all schools is not to do anything further about introducing a new pay policy until the final model pay policy is released by the Director of Education & Children's Services. This will be done as soon as possible but is likely to be March 2020.

Detailed report attached:                      No



Policy, Crime & Disorder & Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>

### 1. Policy, Crime & Disorder

The document called School Teachers' Pay and Conditions (Wales) Document (STPC(W)D) is updated each year which can lead to amendments in the model pay policy offered to schools.

### 2. Legal

The Model Teachers' Pay Policy has been updated to reflect legislative changes introduced by the School Teachers' Pay and Conditions (Wales) Document 2019.

### 3. Finance

For 2019-20 financial year, Welsh Government provided grant funding to local authorities to meet the part year costs of the pay award above 1%. This provides additional funding to schools when compared with the budget set by County Council in February 2019. For 2020-21, the part year grant funding has been transferred into the settlement. The remainder is validated into schools delegated budgets, with funding provided from the improved settlement.

### 5. Risk Management Issues

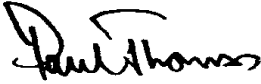
The schools are statutorily bound to have a pay policy in place.

### 6. Staffing Implications

The HR Team will provide advice and guidance to schools on the application of the Model Teachers' Pay Policy 2019/20 as required.

## CONSULTATIONS

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

Signed:   
ASSISTANT CHIEF EXECUTIVE (PEOPLE MANAGEMENT)

**1. Scrutiny Committee**

None

**2. Local Member(s)**

Preliminary Executive Board -

**3. Community / Town Council**

None

**4. Relevant Partners**

None

**5. Staff Side Representatives and other Organisations**

Education & Children's Services Employee Relations Forum - 12<sup>th</sup> December 2019  
ERW HR / TU Forum - 29<sup>th</sup> November 2019

**Section 100D Local Government Act, 1972 - Access to information  
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Model Teachers' Pay Policy 2019/20		



Ein Rhanbarth ar Waith  
Education through Regional Working

# Model Teachers' Pay Policy 2019/2020

Cynghrair o 6 awdurdod lleol yw ERW a reolir gan gyd-bwyllgor cyfansoddiadol cyfreithiol.  
Y nod yw gweithredu strategaeth a chynllun busnes rhanbarthol cytunedig a chefnogi gwelliant ysgolion.

ERW is an alliance of 6 local authorities governed by a legally constituted joint committee.  
Its aim is to implement the agreed regional strategy and business plan to support school improvement.



<b>DOCUMENT CONTROL</b>	
<b>Policy Name</b>	Teachers' Pay Policy 2019/20
<b>Department</b>	Human Resources
<b>Reviewing Officers</b>	ERW HR Group on behalf of the 6 constituent Local Authorities
<b>CONSULTATION PROCESS</b>	
<p>The following Trade Unions have been consulted in respect of this Policy:</p> <ul style="list-style-type: none"><li>• ASCL</li><li>• NAHT</li><li>• NASUWT</li><li>• NEU</li><li>• UCAC</li></ul>	

## MODEL TEACHERS' PAY POLICY 2019/20

The Governing Body of \_\_\_\_\_ School  
formally adopted this Policy on \_\_\_\_\_ .

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**1. INTRODUCTION**

- 1.1. This Pay Policy provides a framework for making decisions on Teachers' pay. It has been developed to comply with the requirements of the School Teachers Pay and Conditions (Wales) Document (STPC(W)D) and has been subject to consultation with all recognised Teaching Associations.

**2. STATEMENT OF INTENT**

- 2.1. The primary statutory duty of Governing Bodies in Wales, as set out in paragraph 21(2) of the Education Act 2002 is to '...conduct the school with a view to promoting high standards of educational achievement at the school'. This Policy intends to support that statutory duty.
- 2.2. The procedures for determining pay in this School will be consistent with the principles of public life: objectivity, openness and accountability.
- 2.3. The Governing Body will act with integrity, confidentiality, objectivity and honesty in the best interest of the School in relation to the operation of this Policy.
- 2.4. The Governing Body will be open about pay decisions made and actions taken, and will be prepared to explain decisions and actions to the interested persons.
- 2.5. Any future revisions to this policy will comply with the STPC(W)D and will be subject to consultation with relevant parties, including recognised trade unions.

**3. EQUALITIES LEGISLATION**

- 3.1. The School is committed to ensuring equality in everything that we do. The Equality Act 2010 has replaced and strengthened previous equality legislation. The Governing Body will comply with all relevant equalities legislation.
- 3.2. This Policy will be applied consistently to all employees irrespective of age, disability, race, gender (sex), gender reassignment, marriage / civil partnership, pregnancy / maternity, religion, belief and sexual orientation.
- 3.3. The Governing Body will promote equality in all aspects of school life, particularly in relation to all decisions on the advertising of posts, appointing, promoting and paying staff, training and staff development.

**4. EQUALITIES AND PERFORMANCE-RELATED PAY**

- 4.1. The Governing Body will ensure that pay processes are transparent and fair. All decisions made will be objectively justified and recorded. Reasonable adjustments will be made on a case by case basis to take account of individuals' circumstances such as long-term absence on the grounds of maternity or ill-health

**5. JOB DESCRIPTIONS**

- 5.1. The Headteacher will ensure that each member of staff is provided with a job description in accordance with the School's staffing structure (**see Appendix 10**), as agreed by the Governing Body.

**6. APPRAISALS**

- 6.1. The Governing Body will comply with the School Teacher Appraisal (Wales) Regulations 2011 concerning the appraisal of Headteachers and Teachers through the application of the School's Performance Management Policy.

**7. GOVERNING BODY'S OBLIGATIONS**

- 7.1. The Governing Body will:

- fulfil its obligations as set out in the STPC(W)D and the Conditions of Service for School Teachers in England and Wales (the 'Burgundy Book');
- establish a Pay Committee and Pay Appeals Committee;
- determine all pay progression decisions, taking account of recommendations from the Headteacher;
- ensure that it makes funds available to support pay decisions, in accordance with this Pay Policy and the School's spending plan;
- ensure that Teachers, via the Headteacher, are informed about pay decisions which affect them, and that records are kept of recommendations and decisions made; and
- monitor, on an annual basis, the outcomes of pay decisions, including the extent to which different groups of Teachers may progress at different rates. The outcome of the review will be shared with school-level trade union representatives.

**8. HEADTEACHER'S OBLIGATIONS**

- 8.1. The Headteacher will:

- ensure that all appraisers (where not the Headteacher,) provide accurate, relevant, complete and timely information about pay recommendations;
- moderate performance assessments and initial pay recommendations to ensure consistency and fairness;
- submit pay recommendations to the Pay Committee and ensure the Pay Committee has relevant information upon which to make pay decisions;

- inform Teachers about the School's Pay Policy and ensure its accessibility;
- notify payroll and/or HR staff within the Local Authority about pay decisions to be implemented; and
- ensure that a report on the operation of the Pay Policy is presented to the Governing Body and the relevant Trade Unions on an annual basis.

### **9. TEACHERS' OBLIGATIONS**

#### 9.1. Teachers will:

- familiarise themselves with the provisions of this Pay Policy, the STPC(W)D, the relevant professional standards and all relevant school employment policies; and
- engage positively with the processes set out in this Policy

### **10. DIFFERENTIALS**

- 10.1. Within the framework of the STPC(W)D, appropriate differentials will be created and maintained between posts within the School, recognising accountability and job weight, and the Governing Body's need to recruit and retain sufficient Teachers of the required quality at all levels.

### **11. SAFEGUARDING**

- 11.1. Where a pay determination leads, or may lead, to the start of a period of safeguarding, the Governing Body will comply with the relevant provisions of the STPC(W)D and will give the required notification as soon as possible and within no later than one month after the determination.

### **12. CAPABILITY AND PAY PROGRESSION**

- 12.1. Where a Teacher's performance has been assessed as being unsatisfactory and the Teacher is subject to the School's Capability Procedure, the School's performance management processes will be suspended in relation to the Teacher concerned until the Capability Procedure has been concluded.
- 12.2. On conclusion of the Capability Procedure, the Teacher will resume performance management processes in accordance with the School's Policy.
- 12.3. Pay progression will not be permissible in accordance with this Pay Policy while a Teacher is subject to the School's Capability Procedure.
- 12.4. On conclusion of the Capability Procedure, the Teacher would re-enter the Performance Management cycle.



- 12.5. Pay progression will not be applied retrospectively in any case of capability.

### **13. PAY DETERMINATION**

- 13.1. The Governing Body has delegated its pay determination powers to the Pay Committee.

#### **13.2. Annual Determination of Pay**

- 13.2.1. All teaching staff salaries, including those of the leadership group, will be reviewed annually to take effect from 1<sup>st</sup> September. The Governing Body will conclude Teachers' annual pay reviews, and assessments of applications to progress to the Upper Pay Range, by 31<sup>st</sup> October; the Headteacher's annual pay review will be concluded by 31<sup>st</sup> December.
- 13.2.2. Reviews may take place at other times of the year to reflect, for example, any changes in circumstances, changes in a job description that lead to a change in the basis for calculating an individual's pay and in cases where a Teacher resumes performance management arrangements following capability processes.
- 13.2.3. The Governing Body will apply any future national pay awards as specified by the STPC(W)D.

#### **13.3. Notification of Pay Determination**

- 13.3.1. A written statement will be given to each Teacher setting out the pay and any other financial benefits to which they are entitled following a determination. Where applicable, this will include information about the basis on which it was made. This will be done by 31<sup>st</sup> October for Teachers, 31<sup>st</sup> December for Headteachers, or by no later than one month following the determination.

#### **13.4. Appeals Procedure**

- 13.4.1. The Governing Body has an appeals procedure in relation to pay. This is set out in **Appendix 8** of this Pay Policy.

### **14. HEADTEACHER PAY**

- 14.1. The Governing Body will ensure that the process of determining the remuneration of the Headteacher is fair and transparent.
- 14.2. The Governing Body will assign a seven-point leadership pay range which can be reviewed as necessary for the Headteacher based on the school group size and any permanent additional relevant factors as determined within the framework of the STPC(W)D (specifically paragraphs 9.2, 9.3 and 9.4).
- 14.3. Additional factors to be taken into account will include all permanent responsibilities of the post, challenges specific to the role and all other relevant considerations, alongside any factors relating to recruitment and retention.

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- 14.4. The Governing Body may re-determine the Headteacher's pay range if it becomes necessary to change the Headteacher group (including where the Headteacher becomes responsible and accountable for more than one school in a federation on a permanent basis). The Headteacher's pay range may also be reviewed at any time if it considers it necessary to reflect a significant change in the responsibilities of the post.
- 14.5. Payments in respect of temporary responsibilities for the Headteacher will not be included in the pay range but will be determined in accordance with the STPC(W)D as explained in **Appendix 6**.
- 14.6. In this School, the Governing Body will apply discretionary reference pay points for leadership pay as indicated in **Appendix 1** and has agreed a seven step pay range of L xxx to L xxx (*details to be inserted here by the school*).

### 14.7. Pay on Appointment

- 14.7.1. For new appointments, the Governing Body will determine the leadership pay range to be advertised and will agree the starting pay on appointment, taking account of the full role of the Headteacher and the provisions of the STPC(W)D.
- 14.7.2. The Governing Body will adopt a three-stage process when setting the pay for new Headteacher appointments as set out in **Appendix 6**.
- 14.7.3. The Pay Committee will review the School's Headteacher group and the Headteacher's leadership pay range, as necessary, to ensure fair pay relativities within the School.
- 14.7.4. See **Appendix 6** of this Pay Policy for guidelines on leadership pay ranges and **Appendix 7** for the Annual Review Pay Statement.

## 15. DEPUTY / ASSISTANT HEADTEACHER PAY

- 15.1. In this School, the Governing Body will use the discretionary reference pay points for leadership pay as indicated in **Appendix 1**.
- 15.2. The Governing Body will assign a five-point leadership pay range which can be reviewed as necessary for Deputy / Assistant Headteacher posts based on the school group size and any permanent additional relevant factors as determined within the framework of the STPC(W)D.
- 15.3. The range for individual posts will be determined according to the duties and responsibilities of the post and may vary between posts.
- 15.4. In this School, the Deputy Headteacher five step pay range is L xx to L xxx (*pay details to be inserted here by the school*).
- 15.5. In this School, the Assistant Headteacher five step pay range is L xx to L xxx (*pay details to be inserted here by the school*).

**15.6. Pay on appointment**

- 15.6.1. When a new appointment needs to be made, the Governing Body will determine the leadership pay range for the post to be advertised and will agree the starting pay on appointment.
- 15.6.2. The pay range will be determined in accordance with the STPC(W)D.
- 15.6.3. The Governing Body will adopt the three-stage process when setting the pay for new appointments to the wider leadership team as set out in **Appendix 6**.

**16. PAY PROGRESSION FOR LEADERSHIP GROUP MEMBERS**

- 16.1. The Governing Body must consider annually whether or not to increase the salary of members of the leadership group who have completed a year of employment since the previous pay determination and, if it determines to do so, to what salary within the relevant pay range determined in accordance with the STPC(W)D and the School Teachers Appraisal (Wales) Regulations 2011.
- 16.2. Leadership Group members will be awarded pay progression following a successful appraisal review. The review will be deemed to be successful where the member of staff has evidenced a sustained high quality of performance and has met, or has made significant progress towards meeting, his / her performance management objectives.
- 16.3. Competence in relation to the relevant standards will be taken into account as part of the School's performance management process.
- 16.4. A sustained high quality of performance on the part of the member of staff should give him/her an expectation of progression to the top of the relevant pay range, having always taken account of the recommendation made on the member of staff's performance management appraisal statement.
- 16.5. Where a member of staff's performance management objectives have not been met, or significant progress has not been made towards meeting the objectives, pay progression will not be awarded unless the Governing Body is satisfied that there are relevant extenuating circumstances. Where such a discretionary award of pay progression is made, this decision will be recorded accordingly.
- 16.6. In making its decision regarding pay progression, the Governing Body's Pay Committee will take account of the appraiser's recommendation regarding pay progression, as outlined on the member of staff's performance management appraisal statement.
- 16.7. The Pay Committee will record its decision regarding pay progression on the Annual Pay Review form contained at **Appendix 7**. A copy of this form will be provided to the member of staff.
- 16.8. Where pay progression is granted, the member of staff's salary will increase with effect from 1<sup>st</sup> September of the current academic year.

- 16.9. Where pay progression is not granted, the rationale for that decision will be recorded on the Annual Pay Review form. The member of staff has the right to appeal against any decision not to grant pay progression. The appeals procedure is set out in **Appendix 8**.

## **17. CLASSROOM TEACHER PAY**

### **17.1. Pay on Appointment**

- 17.1.1. Advertisements for vacant posts in the School will be considered by the Headteacher **[and the (*insert details of committee*) where appropriate]**. All posts will be advertised either internally or externally, locally or nationally as appropriate.
- 17.1.2. The advertisement will include details of the pay range and any additional payments or allowances applicable to the post.
- 17.1.3. The Governing Body will determine the starting salary of a vacant classroom Teacher post, in accordance with the Main Pay Range and Upper Pay Range, detailed at **Appendix 1**.
- 17.1.4. The Governing Body is committed to the principle of pay portability for Teachers **who are currently paid in accordance with the provisions of the STPCD** and will apply this principle in practice when making new permanent and fixed-term appointments.
- 17.1.5. The Governing Body will not restrict the pay range advertised, or starting salary and pay progression prospects available for classroom Teacher posts, other than the minimum of the Main Pay Range and the maximum of the Upper Pay Range.

### **17.2. Pay Progression for Existing Main Pay Range and Upper Pay Range Teachers**

- 17.2.1. The Governing Body must consider annually whether or not to increase the salary of Teachers (excluding NQTs undertaking their induction year) who have completed a year of employment since the previous pay determination and, if it determines to do so, to what salary within the relevant pay range determined in accordance with the STPC(W)D and the School Teachers Appraisal (Wales) Regulations 2011.
- 17.2.2. A sustained high quality of performance on the part of the Teacher should give him / her an expectation of progression to the top of the relevant pay range, having always taken account of the recommendation made on the Teacher's performance management appraisal statement.
- 17.2.3. Teachers will be awarded pay progression following a successful appraisal review. The review will be deemed to be successful where the Teacher has evidenced a sustained high quality of performance and has met, or has made significant progress towards meeting, his / her performance management objectives.
- 17.2.4. Where a Teacher's performance management objectives have not been met, or significant progress has not been made towards meeting the objectives, pay progression will not be awarded unless the Governing Body is satisfied that there

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are relevant extenuating circumstances. Where such a discretionary award of pay progression is made, this decision will be recorded accordingly.

- 17.2.5. Competence in relation to the relevant standards will be taken into account as part of the School's performance management process.
- 17.2.6. In the case of Teachers who are already on the Upper Pay Range, the Pay Committee will also take account of whether:
  - The Teacher has maintained the criteria for assessment to the Upper Pay Range (see **section 18.7** - 'Assessment', and **Appendix 2**); and
  - The Teacher continues to be highly competent in all elements of the relevant standards.
- 17.2.7. In making its decision regarding pay progression, the Governing Body's Pay Committee will take account of the appraiser's recommendation regarding pay progression, as outlined on the Teacher's performance management appraisal statement. The Pay Committee will be advised by the Headteacher in making all such decisions.
- 17.2.8. The Pay Committee will record its decision regarding pay progression on the Annual Teachers' Pay Review Statement contained at **Appendix 2**. A copy of this form will be provided to the Teacher.
- 17.2.9. Where pay progression is granted, the Teacher's salary will be increased with effect from 1<sup>st</sup> September of the current academic year.
- 17.2.10. Where pay progression is not granted, the rationale for that decision will be recorded on the Annual Teachers' Pay Review Statement. The Teacher has the right to appeal against any decision not to grant pay progression. The appeals procedure is set out in **Appendix 8**.

### **18. APPLICATIONS TO BE PAID ON THE UPPER PAY RANGE**

- 18.1. A qualified Teacher may apply once each year to be paid on the Upper Pay Range in accordance with the STPC(W)D and this School's Pay Policy.
- 18.2. It is each Teacher's responsibility to decide whether to submit an application.
- 18.3. In order for the assessment to be robust and transparent, it will be an evidence based process.
- 18.4. Personal objectives for the forthcoming appraisal cycle will be set, and agreed where possible, at a level which is sufficient to ensure that the criteria included in the STPC(W)D for progression to the Upper Pay Range can be met, including that the Teacher is highly competent in all elements of the relevant standards.
- 18.5. Teachers who have been absent from work for sickness, disability or maternity-related reasons, along with those who are not subject to the Appraisal Regulations

2011 (i.e. a Teacher who is employed on a short term contract of less than one term), may cite written evidence from a suitable and relevant period before the date of application in support of their application.

**18.6. Process**

18.6.1. The closing date for an application to be submitted by a Teacher to his / her appraiser is *(school to insert date here - normally prior to the end of the Summer Term)*.

18.6.2. Exceptions may be made in some specific circumstances, e.g. those Teachers who are on maternity leave or on sick leave as at the closing date for receipt of applications. In such circumstances, the Teacher may request - at least 2 weeks before the specified closing date - an extension of no more than half a term for the submission of an application.

18.6.3. The process for applications is:

- Teacher to inform appraiser in writing, within the required timescale (see paragraphs 16.7 and 16.8 above) that he / she wishes to be considered for progression to the Upper Pay Range and that his / her personal objectives for the forthcoming appraisal period should reflect this request.

Following completion of the relevant appraisal period:

- The appraiser will complete an assessment pro-forma as shown in **Appendix 4**, setting out the appraiser's recommendation in relation to progression to the Upper Pay Range, following completion of the relevant appraisal period;
- The Headteacher will consider the appraiser's recommendation and will make a recommendation to the Pay Committee;
- The Pay Committee will make a decision about pay progression, following receipt of advice from the Headteacher;
- The Teacher will receive written notification of the outcome of their application by 31<sup>st</sup> October in the relevant year;
- Where the application is unsuccessful, the written notification will set out details of the areas of the Teacher's performance which are not considered to have satisfied the relevant criteria set out in this Policy (see "Assessment" below);
- If requested, oral feedback will be provided by the Headteacher. Oral feedback will normally be given within 10 working days of the date of notification of the outcome of the application. Feedback will be given in a positive manner and will include advice and support about areas for improvement in order for the Teacher to meet the relevant criteria; and

- Successful applicants will move to step 1 of the Upper Pay Range with effect from 1<sup>st</sup> September of the academic year following their application being supported.

18.6.4. Unsuccessful applicants may appeal the decision as outlined in **Appendix 8**.

### **18.7. Assessment**

18.7.1. An application will only be successful where the Governing Body is satisfied that all of the requirements of the STPC(W)D have been met, including that:

- the Teacher is highly competent in all elements of the relevant standards; and
- the Teacher's achievements and contribution to an educational setting or settings are substantial and sustained.

18.7.2. For the purposes of this Pay Policy, the Pay Committee will be satisfied that the Teacher has met the Governing Body's expectations for progression to the Upper Pay Range where the Upper Pay Range criteria (see **Appendix 3**) have been satisfied as evidenced by a successful appraisal review.

18.7.3. Further information, including details about sources of evidence, is contained in the School's Performance Management Policy.

## **19. LEADING PRACTITIONER ROLE**

19.1. The Governing Body may establish Leading Practitioner posts for Teachers whose primary purpose is the modelling and leading improvement of teaching skills.

19.2. Where the Governing Body wishes to establish such posts it will determine the responsibilities and pay range for these posts. Consultation with relevant staff and trade unions will take place in relation to any such proposed changes to the staffing structure.

19.3. The Policy of the Governing Body will be to appoint any new Leading Practitioner Teacher to a 5-point range, as deemed appropriate by the Governing Body.

19.4. The pay range for Leading Practitioners will be in accordance with the STPC(W)D, which is currently a minimum of £41,267 per annum (i.e. Leadership Pay Point 1) and a maximum of £62,735 per annum (i.e. Leadership Pay Point 18).

19.5. In this School, the Governing Body will use the discretionary reference pay points detailed at **Appendix 1**.

19.6. Pay progression for Leading Practitioners will be determined as per the process set out at 17.2.1 to 17.2.10 above

**20. UNQUALIFIED TEACHERS**

- 20.1. A Teacher on the unqualified pay range will be paid an annual salary between £17,682 and £27,965 per annum. In this School, the Governing Body will use the discretionary reference pay points detailed at **Appendix 1**.
- 20.2. Under the Education (Specified and Registration) (Wales) Regulations 2010 there are specific circumstances when those other than qualified Teachers who are registered with the Education Workforce Council may carry out 'specified work'.
- 20.3. The School will comply with these legal requirements and will only employ unqualified Teachers as specified in these Regulations.
- 20.4. The Governing Body may pay an additional allowance to an unqualified Teacher who meets the criteria as defined in the STPC(W)D.
- 20.5. In order to progress up the pay range, unqualified Teachers will need to show that they have met or made significant progress towards meeting their performance management objectives, along with demonstrating the required improvement in their teaching skills.
- 20.6. In making its decision regarding pay progression, the Governing Body's Pay Committee will take account of the appraiser's recommendation regarding pay progression, as outlined on the Teacher's performance management appraisal statement. The Pay Committee will be advised by the Headteacher in making all such decisions.
- 20.7. The Pay Committee will record its decision regarding pay progression on the Annual Teachers' Pay Review Statement contained at **Appendix 2**. A copy of this form will be provided to the unqualified Teacher.
- 20.8. Where pay progression is granted, the unqualified Teacher's salary will be increased with effect from 1<sup>st</sup> September of the current academic year.
- 20.9. Where pay progression is not granted, the rationale for that decision will be recorded on the Annual Teachers' Pay Review Statement. The Teacher has the right to appeal against any decision not to grant pay progression. The appeals procedure is set out in **Appendix 8**.
- 20.10. An unqualified Teacher who obtains qualified Teacher status will be paid on the pay ranges for qualified Teachers, in accordance with this Pay Policy.

**21. DISCRETIONARY ALLOWANCES AND PAYMENTS**

**21.1. Teaching and Learning Responsibility Payments (TLRs)**

- 21.1.1. The Governing Body will award TLR1 and TLR2 payments to post holders as indicated in the School's staffing structure (see **Appendix 10**).



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- 21.1.2. These payments will be awarded to Teachers who undertake clearly defined and sustained additional responsibility in the context of the School's staffing structure for the purpose of ensuring the continued delivery of high quality teaching and learning and for which the Teacher is made accountable.
- 21.1.3. All job descriptions will be regularly reviewed and will make clear the responsibility or package of responsibilities for which a TLR is awarded.
- 21.1.4. The criteria for awarding a TLR1 and TLR2 payment will be in accordance with the STPC(W)D.
- 21.1.5. The minimum and maximum range for a TLR1 is £8,069 to £13,654 per annum.
- 21.1.6. The minimum and maximum range for a TLR2 is £2,796 to £6,829 per annum.
- 21.1.7. In this School the value of TLRs currently in use is as follows
- TLR1** - (details of each TLR1 to be inserted here by school)  
**TLR2** - (details of each TLR2 to be inserted here by school)
- 21.1.8. The Governing Body may award a fixed-term TLR3 payment to a Teacher of between £555 and £2,757 per annum for a clearly time-limited school improvement project, or one-off externally driven responsibilities.
- 21.1.9. The duration of the fixed term, and the amount of annual payment will be established at the outset and will be paid on a monthly basis.
- 21.1.10. Where the Governing Body wishes to make TLR3 payments, the proposed responsibilities, level of payment and the duration of payment will be set out clearly following consultation with relevant staff and union representatives.
- 21.1.11. A Teacher in receipt of either a TLR1 or 2 may also hold a concurrent TLR3.
- 21.1.12. No safeguarding will apply in relation to an award of a TLR3.
- 21.1.13. A TLR1 or 2 payment awarded to a part time Teacher will be on a pro rata basis but where a TLR3 payment is awarded to a part time Teacher, the pro rata principle will **not** apply.

### **21.2. Special Educational Needs (SEN) Allowances**

- 21.2.1. The Governing Body will award SEN allowances in accordance with the criteria and provisions set out in the STPC(W)D.
- 21.2.2. An SEN Allowance of no less than £2,209 per annum, and no more than £4,359 per annum, will be payable to a classroom Teacher in accordance with STPC(W)D.
- 21.2.3. In this School, the SEN values are: (details of each SEN Allowance / value to be inserted here by school)

21.2.4. In deciding the SEN value, the Governing Body will take into account the structure of the School's SEN provision, whether any mandatory qualifications are required for the post, the qualifications or expertise of the Teacher relevant to the post, and the relative demands of the post.

### **21.3. Acting Allowances**

21.3.1. Acting allowances are payable to Teachers who are assigned and carry out the duties of Headteacher, Deputy Headteacher or Assistant Headteacher in accordance with the STPC(W)D.

21.3.2. The Governing Body will, within a four-week period of the commencement of acting duties, determine whether or not the acting postholder will be paid an allowance. In the event of a planned and prolonged absence, an acting allowance may be agreed in advance and paid from the first day of absence.

21.3.3. Any Teacher who carries out the duties of Headteacher, Deputy Head, or Assistant Head, for a period of four weeks or more, will be paid at an appropriate point of the Head's pay range, Deputy Head pay range or Assistant Head pay range, as determined by the Pay Committee. Payment will be backdated to the commencement of the duties but will normally be paid a month in arrears.

21.3.4. Acting allowances may also apply to Teachers covering absent colleagues in receipt of a TLR and / or SEN allowance.

### **21.4. Additional Payments**

21.4.1. With exception of those on the leadership range the Governing Body may make additional payments to a Teacher, in respect of:

- continuing professional development undertaken outside the school day;
- activities relating to the provision of initial Teacher training as part of the ordinary conduct of the School;
- participation in out-of-school hours learning activity agreed between the Teacher and the Headteacher; and
- additional responsibilities and activities due to, or in respect of, the provisions of services by the Teacher relating to the raising of educational standards to one or more additional schools.

### **21.5. Recruitment or Retention Incentive Benefits**

21.5.1. The Governing Body can award lump sum payments, periodic payments, or provide other financial assistance, support or benefits for a recruitment or retention incentive. In deciding any such awards, the Governing Body will have regard to the STPC(W)D and specialist HR advice.

- 21.5.2. Headteachers, Deputy Headteachers and Assistant Headteachers may not be awarded such a payment other than as reimbursement of reasonably incurred housing or relocation costs.
- 21.5.3. All other recruitment and retention considerations in relation to a Headteacher, Deputy Headteacher or Assistant Headteacher post will be taken into account when determining the pay range.
- 21.5.4. The reason for the award of any additional payment, the expected duration of any such incentive or benefit, and the review date after which they may be withdrawn will be made clear at the outset, in writing.
- 21.5.5. The Governing Body will conduct an annual review of all such awards.

## **22. PART-TIME TEACHERS' PAY AND TIME CALCULATIONS**

- 22.1. Teachers employed on an ongoing basis at the school but who work less than a full working week will be deemed to be part-time.
- 22.2. Part-time Teachers will be provided with a written statement detailing their working time obligations and the standard mechanism used to determine their pay, subject to the provisions of the statutory pay and working time arrangements and by comparison with the School's timetabled teaching week for a full-time Teacher in an equivalent post. This does not affect the TLR3 payment which is not pro rata for part time staff. See **Appendix 9** for further information.

## **23. TEACHERS EMPLOYED ON A SHORT-TERM NOTICE BASIS (SUPPLY)**

- 23.1. Teachers employed on a supply basis will be paid on a daily basis calculated on the assumption that a full working year consists of 195 days; periods of employment for less than a day being calculated pro rata.

2019/20 PAY RANGES

**Main Pay Range:**

<b>Point</b>	<b>Value</b>
MPR 1	£24,906
MPR 2	£26,041
MPR 3	£28,133
MPR 4	£30,299
MPR 5	£32,686
MPR 6	£35,269

**Upper Pay Range:**

<b>Point</b>	<b>Value</b>
UPR 1	£37,654
UPR 2	£39,050
UPR 3	£40,490

**Leading Practitioner Pay Range:**

<b>Point</b>	<b>Value</b>
LP 1	£41,266
LP 2	£42,299
LP 3	£43,355
LP 4	£44,435
LP 5	£45,542
LP 6	£46,684
LP 7	£47,941

LP 8	£49,048
LP 9	£50,271
LP 10	£51,563
LP 11	£52,902
LP 12	£54,120
LP 13	£55,474
LP 14	£56,857
LP 15	£58,272
LP 16	£59,820
LP 17	£61,195
LP 18	£62,734

**Unqualified Teachers Pay Range:**

<b>Point</b>	<b>Value</b>
UNQ 1	£17,682
UNQ 2	£19,739
UNQ 3	£21,794
UNQ 4	£23,851
UNQ 5	£25,909
UNQ 6	£27,965

**Leadership Pay Range:**

<b>Point</b>	<b>Value</b>
L1	£41,065
L2	£42,093
L3	£43,144

L4	£44,218
L5	£45,319
L6	£46,457
L7	£47,707
L8	£48,808
L9	£50,026
L10	£51,311
L11	£52,643
L12	£53,856
L13	£55,202
L14	£56,579
L15	£57,986
L16	£59,528
L17	£60,895
<b>L18*</b>	<b>£61,808</b>
L18	£62,426
L19	£63,975
L20	£65,561
<b>L21*</b>	<b>£66,517</b>
L21	£67,183
L22	£68,851
L23	£70,556
<b>L24*</b>	<b>£71,590</b>
L24	£72,306
L25	£74,103
L26	£75,936

<b>L27*</b>	<b>£77,048</b>
L27	£77,818
L28	£79,748
L29	£81,723
L30	£83,757
<b>L31*</b>	<b>£84,976</b>
L31	£85,826
L32	£87,960
L33	£90,145
L34	£92,373
<b>L35*</b>	<b>£93,732</b>
L35	£94,669
L36	£97,013
L37	£99,424
L38	£101,885
<b>L39*</b>	<b>£103,334</b>
L39	£104,368
L40	£106,972
L41	£109,644
L42	£112,392
L43	£114,060

\* These points and Point L43 are the maximum scale points for the eight Headteacher Group Ranges

ANNUAL TEACHERS' PAY REVIEW STATEMENT

<b>Name:</b> .....	<b>Employee No.:</b> .....
<b>School:</b> .....	<b>Effective Date:</b> .....

**SALARY DETAILS**

Salary and Point - Main Pay Range (S1 - S6)	£	Point
Salary and Point - Upper Pay Range (S1 – S3)	£	Point
Salary and Point - Unqualified Range (S1 - S6)	£	Point
Salary and Leading Practitioner Range	£	Point

**ALLOWANCES**

Details e.g. temp  
(with dates), reason  
for allowance

Teaching and Learning Responsibility Payments (See Pay Policy Advice) TLR1 / TLR2 / TLR3	TLR____ £
Recruitment or Retention (See Pay Policy Advice)	£
Special Educational Needs Allowance (See Pay Policy Advice)	£
Other Allowances - Please specify (See Pay Policy Advice)	£
<b>SAFEGUARDING</b>	£
<b>TOTAL SALARY</b>	£

Pay Committee Meeting on: .....

Signature of Headteacher / Chair of Committee: ..... Date: .....



**UPPER PAY RANGE PROGRESSION CRITERIA**

**1. Professional Attributes**

- 1.1. Contribute significantly, where appropriate, to implementing workplace policies and practice and to promoting collective responsibility for their implementation.

**2. Professional Knowledge and Understanding**

- 2.1. Have an extensive knowledge and understanding of how to use and adapt a range of teaching, learning and behaviour management strategies, including how to personalise learning to provide opportunities for all learners to achieve their potential.
- 2.2. Have an extensive knowledge and well-informed understanding of the assessment requirements and arrangements for the subjects/curriculum areas they teach, including those related to public examinations and qualifications.
- 2.3. Have up-to-date knowledge and understanding of the different types of qualifications and specifications and their suitability for meeting learners' needs.
- 2.4. Have a more developed knowledge and understanding of their subjects/curriculum areas and related pedagogy including how learning progresses within them.
- 2.5. Have sufficient depth of knowledge and experience to be able to give advice on the development and wellbeing of children and young people

**3. Professional Skills**

- 3.1. Be flexible, creative and adept at designing learning sequences within lessons and across lessons that are effective and consistently well-matched to learning objectives and the needs of learners and which integrate recent developments, including those relating to subject/curriculum knowledge.
- 3.2. Have teaching skills which lead to learners achieving well relative to their prior attainment, making progress as good as, or better than, similar learners nationally.
- 3.3. Promote collaboration and work effectively as a team member.
- 3.4. Contribute to the professional development of colleagues through coaching and mentoring, demonstrating effective practice, and providing advice and feedback.

ASSESSMENT OF TEACHER APPLICATION TO PROGRESS TO UPPER PAY RANGE

For Completion by the Teacher's Appraiser

Teacher's Name:	
Post:	

**Evidence from most recent appraisal  
Please state which appraisal statement is attached:**

**\*Criteria Met**

**\*Criteria Not Met**

(\* Please delete as appropriate)

**If criteria have not been met in full, please record details below (and continue overleaf, as necessary) about the areas of the Teacher's performance which do not satisfy the criteria:**

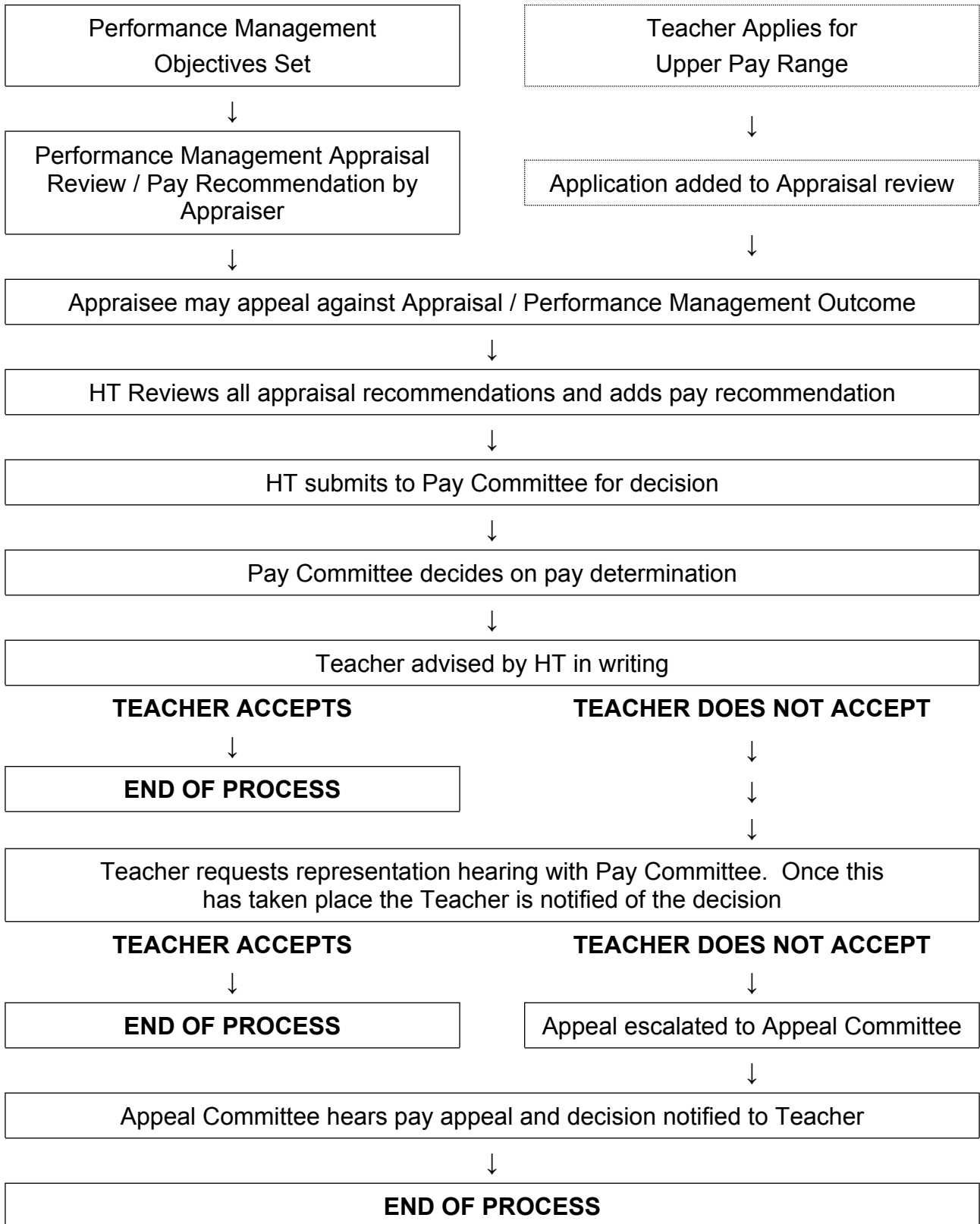
Signed ..... (Appraiser)

Date: .....

**TO BE SUBMITTED TO THE HEADTEACHER**

<p><b><u>School Use Only</u></b></p> <p>Application Form Received on: .....</p> <p>Assessment made on: .....</p> <p>By: .....</p>
---

**FLOWCHART OF PAY REVIEW PROCESS  
(Not including Headteachers)**



**LEADERSHIP GROUP SALARIES GUIDANCE**

**1. Headteacher and Leadership Team (ALL SCHOOLS)**

Whilst there is no longer a national pay scale published for leadership posts within the STPC(W)D, the national employers along with the recognised trade unions have published indicative pay rates based on a 43 step leadership salary scale on which a Headteacher, Deputy Headteacher and Assistant Headteacher could be paid as determined by the Governing Body. These are set out below.

**2. School Groups (ALL SCHOOLS)**

There are eight school groups determined from the unit score of the school. The STPC(W)D specifies a maximum and minimum pay value for each group and the indicative pay rates published jointly by the employers and trade unions attach values to individual pay points within those ranges

The Governing Body has established a 7 point pay range for the Headteacher and a 5 point pay range for all other leadership posts.

**3. Unit Score of School**

**a. All Schools (excluding Special Schools)**

The unit score is calculated to determine the group of the School, using the formula in the STPC(W)D. **In this Authority\*, the LA will recalculate the unit score annually and the results will be applied from 1<sup>st</sup> January each year.** If a school has reasonable grounds to expect a change in pupil numbers, they should request a recalculation by the Authority at that time.

**\* Delete if not appropriate**

**Information on how the unit score is calculated:**

This is determined by pupil numbers as shown on the most recent STATS 1 (annual school census) return to the Welsh Government.

<b>For each pupil at the foundation phase/ KS1/KS2</b>	<b>7 units</b>
<b>For each pupil in the school at KS3</b>	<b>9 units</b>
<b>For each pupil in the school at KS4</b>	<b>11 units</b>
<b>For each pupil in the school at KS5</b>	<b>13 units</b>

Each pupil with a **statement of special educational needs** shall, if she/he is in a special class consisting wholly or mainly of such pupils, count three units more than she/he would otherwise count. If she/he is not in such a special class count three such units only where the relevant body so determine.

Each pupil who attends for no more than half a day on each day for which she/he attends the school shall count half as many units as she/he would otherwise count.

Total Unit Score	School Group
Up to 1,000	1
1,001 - 2,200	2
2,201 - 3,500	3
3,501 - 5,000	4
5,001 - 7,500	5
7,501 - 11,000	6
11,001 - 17,000	7
17,001 and over	8

**b. Modified Unit Score (Special Schools Only)**

The modified unit score is calculated to determine the group of the school, using the formula in the STPC(W)D. In this Authority\* the LA will recalculate the unit score annually and the results will be applied from 1<sup>st</sup> January each year. If a school has reasonable grounds to expect a change in pupil numbers, they should request a recalculation by the Authority at that time.

*\* Delete if not appropriate*

A special school must be assigned to a Headteacher group in accordance with the following table by reference to its modified total unit score calculated in accordance with sub-sections (i) and (ii) below:

Total Unit Score	School Group
Up to 2,200	2
2,201 - 3,500	3
3,501 - 5,000	4
5,001 - 7,500	5
7,501 - 11,000	6
11,001 - 17,000	7
17,001 and over	8

(i) **Information on how the staff-pupil ratio is calculated**

The proportion of staff to pupils at the school must be calculated and expressed as a percentage ('the staff-pupil ratio') in accordance with the following formula:

$$\frac{A}{B} \times 100$$

Where A is the number of Teachers and Support Staff weighted as provided at (a) below, and B is the number of pupils at the school weighted as provided at (b) below:

- a) The weighting for a Teacher is two units for each full-time equivalent Teacher, and the weighting for each Support Staff member is one unit for each full-time equivalent individual; and
- b) The weighting for a full-time pupil is one unit and the weighing for a part-time pupil is half a unit.

The staff-pupil ratio modifier must be calculated in accordance with the following table by reference to the staff-pupil ratio determined in accordance with the above:

Staff-Pupil Ratio	Staff-Pupil Ratio Modifier
1 - 20%	1
21 - 35%	2
36 - 50%	3
51 - 65%	4
66 - 80%	5
81% or more	6

**NB:** 'Support Staff member' means a member of the school staff who is not:

- A Teacher;
- A person employed in connection with the provision of meals;
- A person employed in connection with the security or maintenance of the school premises; or
- A person employed in a residential school to supervise and care for pupils out of school hours.

**(ii) Information on how the modified total unit score is calculated**

This is determined by pupil numbers as shown on the most recent STATS 1 (annual school census) return to Welsh Government.

The relevant body must determine the school's total unit score in accordance with the number of pupils on the school register calculated as follows:

<b>Key Stage</b>	<b>Units Per Pupil</b>
For each pupil in the Foundation Phase, KS1 and KS2	10
For each pupil in KS3	12
For each pupil in KS4	14
For each pupil in KS5	16

The relevant body must determine the school's modified total unit score by multiplying the school's total unit score determined under this section (i.e. as per the above table) by the staff-pupil ratio modifier calculated under section 3.

**NB:** Where the Headteacher is appointed as Headteacher of more than one school on a permanent basis, the relevant body of the Headteacher's original school or, under the Collaboration Regulations (5), the collaborating body must calculate the Headteacher group by combining the unit score of all the schools for which the Headteacher is responsible to arrive at a total unit score, which then determines the Headteacher group.

**4. New Leadership Appointments / Changes to existing Leadership Pay Structures - Three Stage Process (ALL SCHOOLS)**

The Governing Body should follow the three stage process when setting the pay for **new appointments or revising existing pay structures in respect of headship or the wider leadership team.**

**Stage 1** - Defining the role and determining the Headteacher group

**Stage 2** - Setting the indicative pay range

**Stage 3** - Deciding the starting salary and individual pay range

All decisions and the reasons for them should be well documented at every stage. All pay decisions must be made on objective criteria so that there is no discriminatory effect of any group of Teachers with a particular protected characteristic under the Equality Act 2010.

It is suggested that schools seek advice when calculating and recording leadership pay structure decisions

**Stage 1 - Defining the Role and Determining the Headteacher Group**

The Governing Body should, at this stage, define the job and identify the broad pay range as a provisional guide to determining appropriate level of pay. The Governing Body will need to define and set out the specific role, responsibilities and accountabilities of the post as well as the skills and relevant competences required.

For Headteacher posts, the Governing Body will assign the School to a Headteacher group (as defined in 3 above) which will determine the appropriate broad pay range as outlined below:

Group Size	Range of Steps	Salary Range (STPC(W)D 2019)
1	L6 - L18*	£46,457 - £61,808
2	L8 - L21*	£48,808 - £66,517
3	L11 - L24*	£52,643 - £71,590
4	L14 - L27*	£56,579 - £77,048
5	L18 - L31*	£62,426 - £84,976
6	L21 - L35*	£67,183 - £93,732
7	L24 - L39*	£72,306 - £103,334
8	L28 - L43	£79,748 - £114,060

For other leadership group posts, the Governing Body should consider how the role fits within the wider leadership structure of the School. The pay range for a Deputy Headteacher or Assistant Headteacher should only overlap the Headteacher's pay range **in exceptional circumstances**.

**Stage 2 - Setting the Indicative Pay Range**

At this stage, the Governing Body will need to consider the complexity and challenge of the role in the particular context of the School and make a judgement on pay in light of this.

For Headteacher posts, it is expected that normally the Governing Body will conclude that the total unit score fully captures the complexity of the Headteacher role and that the relevant broad pay range accommodates appropriate levels of reward, in line with the STPC(W)D. The Governing Body will need to consider whether the indicative pay range should start at the minimum of the Headteacher group or whether they wish it to start at a higher level because of the level of challenge of the post.



There may be circumstances, however, in which there are additional factors that suggest the indicative pay range should be higher than would be provided by the basic calculation in Stage 1.

The following represent some examples of additional factors to be considered (this list is not exhaustive):

- The context and challenge arising from pupils' needs e.g. if there is a high level of deprivation in the community (Free School Meal entitlement and/or English as an Additional Language) or there are high numbers of looked after children or children with Additional Learning Needs and this affects the challenge in relation to improving outcomes;
- A high degree of complexity and challenge e.g. accountability for multiple schools or managing across several dispersed sites, which goes significantly beyond that expected of any Headteacher of similar-sized school(s) and is not already reflected in the total unit score used at stage 1;
- Additional accountability not reflected in stage 1, e.g. leading a teaching school alliance; and
- Factors that may impede the school's ability to attract appropriately qualified and experienced leadership candidates e.g. location, language medium, subject area / specialism and/or level of support from the wider leadership team.

The Governing Body may set the indicative pay range with a **maximum of up to 25% above the top of the relevant Headteacher group range.**

Above that limit, external independent advice must be sought and, should the advice suggest a range which exceeds this limit is appropriate, a business case must be made and agreed by the full Governing Body.

The Governing Body should ensure that no **double counting** takes place e.g. of things taken account of in stage 1, such as responsibility for an additional school already reflected in the total unit score; or from using overlapping indicators, such as FSM and the pupil premium.

The Governing Body **SHOULD NOT** increase base pay nor pay an additional allowance for regular local collaboration which is part of the role of all Headteachers.

For other leadership roles the process is broadly the same. The Governing Body will wish to consider how the other leadership roles should be set in accordance with the level set for the Headteacher and to ensure that there is sufficient scope for progression. Consideration should also be given to any teaching posts that carry additional allowances.

At the end of this stage, the Governing Body should decide where in the broad range to position the indicative pay range and set this out clearly when advertising the post. An overall judgement should be made on the position and breadth of range, allowing

appropriate scope for performance-related progression over time, clearly linked to school improvement priorities and outcomes.

There should be a clear audit trail for all decisions made and the reasoning behind them.

It is also expected where possible that the School will undertake a process of benchmarking of salaries before setting the pay range for the Headteacher or other leadership posts.

For those factors which are not expected to persist, such as temporary responsibility for an additional school, these should be reflected through an allowance rather than consolidated into the indicative pay range.

### **Stage 3 - Deciding the starting salary and Individual Pay Range for new appointments**

The first two stages provide the means for determining the appropriate pay range. The third stage is essentially about deciding on the starting salary for the individual who is to be offered the post.

At this stage, the Governing Body will have a preferred candidate for the role and will wish to set the starting salary in the light of candidate-specific factors, such as the extent to which the candidate meets the specific requirements of the post.

It will be important to ensure there is scope for performance-related progression over time.

There must be a clear audit trail for any advice given and a full and accurate record of all decisions made and the reasoning behind them.

## **5. Establishing a Pay Range above the School's Headteacher Group (ALL SCHOOLS)**

The expectation is that in most cases the pay range will be within the limits of the Headteacher group. However, in some cases e.g. where there may be significant difficulty in making an appointment or there is a need to incentivise a Headteacher to take on responsibility for a very large school or to lead multiple large schools, it may be appropriate to consider extending the individual pay range.

The Governing Body can, in such cases, decide that the maximum of the pay range may be above the maximum of the Headteacher group, **up to an additional 25%**.

If it is considered that there are exceptional circumstances that warrant an extension beyond that limit, a business case would be required. The Governing Body would need to seek external independent advice from an appropriate person or body who can consider whether it is justifiable to exceed the limit in a particular case.

There must be a clear audit trail for any advice given and a full and accurate record of all decisions made and the reasoning behind them.

## **6. Pay Progression for all Leadership Posts (ALL SCHOOLS)**

It is the responsibility of the Governing Body to ensure that performance-based progression awards reflect individual performance.

Schools should review and update their pay policies on an annual basis to ensure that they remain fit for purpose. Governing bodies will need to satisfy themselves that objective-setting is fair, reasonable and meaningful, but rigorous, and that the school's pay policy provides a clear link between levels of achievement and progression.

Governing bodies have the freedom to award progression increases as they judge appropriate in their particular circumstances. Although no progression award should be made if it is not justified.

The Governing Body will consider awarding additional increment(s) for sustained high quality performance against the set criteria, or where performance has been exceptional and exceeded all the expectations.

### Temporary Payments for Headteachers

In addition, the Governing Body may consider an additional payment to the Headteacher in respect of clearly temporary additional duties and responsibilities or duties that are in addition to the post for which their salary has been determined e.g. where they are providing services to other schools. Including where the Headteacher is appointed as a temporary Headteacher of one or more additional schools not included as a permanent factor in the calculation of the pay range.

## **7. Salary Protection (ALL SCHOOLS)**

If the School is assigned to a lower group, or the Governing Body chooses to reduce the leadership pay range, the member of staff will be entitled to receive a safeguarded sum for a period of up to three years, subject to the STPC(W)D.

HEADTEACHER / DEPUTY HEADTEACHER / ASSISTANT HEADTEACHER  
ANNUAL REVIEW FORM  
(September 201\_\_)

<b>Name:</b> .....	<b>Employee No.:</b> .....
<b>School:</b> .....	

**\* Headteacher:**

School Group: ..... Headteacher Pay Range: £ ..... to £ .....

**\* Deputy / Assistant Headteacher:**

Pay Range: £ ..... to £ .....

Salary and Point at August 201\_\_: £ ..... Point: .....

Rationale used for Pay Decision:

.....  
.....

Revised Salary and Point at August 201\_\_: £ ..... Point: .....

Certified by Chair of Governors / Pay Committee: .....

Certified by Headteacher: ..... Date: .....

**\* Please delete as appropriate**

### PAY REVIEW PROCESS

The Governing Body is committed to ensuring that appeals against pay decisions are dealt with quickly, fairly and are consistent with equalities and other relevant legislation, as well as the STPC(W)D.

Teachers, including Headteachers, may appeal any determination in relation to their pay or any other decision taken by the Governing Body (or a Committee or individual acting with delegated authority) that affects their pay.

Reasons for appeal may include the following, which is not an exhaustive list. That the person or Committee making the decision:

- a) incorrectly applied any provision of the STPC(W)D;
- b) failed to have proper regard for statutory guidance;
- c) failed to take proper account of relevant evidence;
- d) took account of irrelevant or inaccurate evidence
- e) was biased; or
- f) or otherwise unlawfully discriminated against the Teacher.

For both the representation hearing and the appeal hearing, the Teacher is entitled to be accompanied by a work colleague or trade union representative.

#### Stage 1 - Informal Discussion

A Teacher who is dissatisfied with a pay recommendation has the opportunity to discuss the recommendation with his / her appraiser or the Headteacher before the recommendation is actioned and confirmation of the pay decision is made by the School.

If, having had an informal discussion with the person making the pay recommendation, the Teacher believes that an incorrect recommendation has been made, he/she may make representation to the Pay Committee of the Governing Body (see Stage 2 below).

#### Stage 2 - Representation Hearing

1. The Teacher receives written notification of the pay determination and, where applicable, details of the basis on which the decision was made. The Pay Committee will ensure the Teacher is aware of the process for making representation and appealing against the decision, if appropriate.
2. If the Teacher wishes to make representation, he/she should do so by writing to the Clerk to Governors within 10 school days of receiving the decision.
3. The Clerk to Governors will arrange for a representation hearing to take place as soon as possible, which will be chaired by the Pay Committee. The Headteacher may be required to attend the hearing to clarify the grounds for the pay recommendation.
4. The Teacher will be provided with between 5 and 10 school days' notice of the representation hearing. The Teacher may attend the hearing in order to present evidence, call witnesses and ask questions of the Pay Committee.

5. The Pay Committee will decide if the original pay determination is to be amended and will write to the Teacher about the outcome within 5 school days of the decision being reached.
6. Where the Teacher continues to be dissatisfied, he/she may appeal this decision within 10 school days of receiving the Committee's outcome letter by proceeding to Stage 3 of the process.

**Stage 3 - Appeal Hearing**

1. The Teacher should clearly set out in writing the grounds for appealing the pay decision and send it to the Clerk to Governors within 10 school days of receipt of the written outcome of the Stage 2 decision (see above).
2. The Clerk to Governors will arrange for an appeal hearing to take place as soon as possible, but normally within 20 school days of the receipt of the written appeal notification.
3. The Teacher should be provided with between 5 and 10 school days' notice of the hearing.
4. The appeal should be heard by the Pay Appeals Committee comprising of a minimum of three eligible governors who were not involved in the original decision, or where the original Pay Committee comprised of more than three members, a number at least equal to that of the Pay Committee.
5. The Pay Appeals Committee's decision is final and, as set out in Section 3, paragraph 7 of the STPC(W)D 2016, there is no recourse to the School's Grievance Procedure.
6. Those required to attend the appeal hearing include:
  - Chair and other Appeal Committee members
  - The Teacher and his / her representative or work colleague (if the Teacher is accompanied)
  - Witnesses for the employee side (if appropriate)
  - a member of the original Pay Committee who will clarify the reasons for the original decision
  - Witnesses for the management side (if appropriate)
  - Clerk to the hearing
  - HR Adviser to give advice to the Appeal Committee (subject to the provisions of any Service Level Agreement)

**A model procedure for formal appeal meetings**

Chair introduces everyone and their role in the proceedings.

- The Teacher will present his / her case including any evidence to be considered and any witnesses they have called;

- Pay Appeals Committee members may ask questions of the Teacher, as may the Pay Committee representative;
- Pay Committee representative will state their case including the evidence on which the decision was based and call any witnesses to support the case, if appropriate
- Pay Appeals Committee members may ask questions of the Pay Committee representative, as may the Teacher;
- Both parties may make a closing statement if they wish (Teacher first, followed by Pay Committee representative). No new evidence can be introduced at this stage;
- Both parties leave the hearing;
- The Pay Appeals Committee may request advice from the HR Adviser (if applicable). Once this has been given, the HR Adviser will leave the hearing but may be recalled for further advice (if applicable);
- The Pay Appeals Committee will consider all the evidence and reach a final decision;
- The Pay Appeals Committee will call the parties back to inform the Teacher of the decision (if awaiting the decision) or instruct the Clerk to write to the Teacher on their behalf with their decision and the reasons for it; and
- The Clerk will notify the Local Authority of change of pay, if appropriate.

**PART-TIME TEACHERS' PAY AND TIME CALCULATIONS**

A School's Timetabled Teaching Week must be established and a part time Teacher must be paid a proportion of the STTW.

Each school must establish a STTW week for each Teacher, this refers to school sessions hours that are timetabled for teaching, including PPA but excluding break times, registration and assemblies.

Part-time Teachers will then be paid on actual teaching time excluding registration assemblies and breaks.

For Example:

If the school day, excluding registration and assembly, runs from 9.00am to 12.15pm and again from 1.15pm to 3.30pm with one 15 minute break in the morning session and one 15 minute break in the afternoon session, the STTW for a full-time Teacher would be calculated as 25 hours. If a part-time Teacher were employed for mornings only working 9.00am to 12.15pm every day, their percentage of the timetabled teaching week would be calculated as 15 hours. This is shown below:

	Morning Session (less breaks, registration & assembly)	+	Afternoon Session (less breaks, registration & assembly)	x	No. of Days in Timetable	=	STTW	% of STTW
Full-Time	3 Hours	+	2 Hours	x	5 Days	=	25 Hours	100%
Part-Time	3 Hours			x	5 Days	=	15 Hours	60%

**PPA and Management Time** must be included when calculating class contact time.

**Directed Time** - a Headteacher may allocate directed time to part-time Teachers (subject to conditions) as a proportion of a FTE 1265. Part-time Teachers can now be directed to cover breaks, assemblies and registration as part of their directed duties.

Part-time Teachers cannot be required to be available for work (either for teaching or other duties) on days they do not normally work. However, they may attend by mutual agreement with the Headteacher. Any resultant additional hours should be paid at the Teacher's normal salary.

Part-time Teachers may be required to carry out duties, other than teaching pupils, outside school sessions on the day on which the Teacher is normally required to be available for work (whether the Teacher is normally required to be available for work for the whole or part of that day). This can form part of directed time.



**SCHOOL STAFFING STRUCTURE**

(School to enter details below as applicable at the time of this Pay Policy being adopted by the Governing Body)

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## Executive Board Meeting

24.02.20

<b>Subject and Purpose:</b>	
Model Unattached Teachers' Pay Policy 2019/20	
<b>Recommendations / Key Decisions Required:</b>	
To endorse the Model Unattached Teachers' Pay Policy 2019/20 prior to circulation to Schools for formal adoption by their Governing Bodies.	
<b>Reasons:</b>	
The Model Unattached Teachers Pay Policy has been updated to reflect September 2019 pay award as detailed in the School Teachers Pay and Conditions (Wales) Document 2019.	
Executive Board Decision Required	YES
Council Decision Required	NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER: Cllr. Mair Stephens; Cllr. Glynog Davies

**Directorate:** Chief Executive's / People Management; Education & Children's Services

<b>Name of Head of Service:</b>	<b>Designations:</b>	<b>Tel Nos.:</b> <b>E-Mail Addresses:</b>
Paul R. Thomas	Assistant Chief Executive (People Management & Performance)	01267 246123 <a href="mailto:PRThomas@sirgar.gov.uk">PRThomas@sirgar.gov.uk</a>
Gareth Morgans	Interim Director of Education & Children's Services	01267 224888 <a href="mailto:EDGMorgans@sirgar.gov.uk">EDGMorgans@sirgar.gov.uk</a>
<b>Report Author:</b> Julie Stuart	Senior HR Business Partner	01267 246375 <a href="mailto:JStuart@sirgar.gov.uk">JStuart@sirgar.gov.uk</a>

**EXECUTIVE SUMMARY**  
**EXECUTIVE BOARD MEETING**  
**[24.02.20]**

**SUBJECT**

Model Unattached Teachers' Pay Policy 2019/20

**1. BRIEF SUMMARY OF PURPOSE OF REPORT**

All schools are required to adopt a pay policy that sets out the basis on which it determines teachers' pay and the date by which it will determine the teachers' annual pay review and also establish procedures for addressing teachers' grievances in relation to their pay. The document called School Teachers' Pay and Conditions (Wales) Document (STP&C(W)D) is updated each year which can lead to amendments in the model pay policy offered to schools.

This revised model Pay Policy has been updated to reflect September 2019 pay award as detailed in the School Teachers' Pay and Conditions (Wales) Document 2019. The HR Group of the Education Regional Working (ERW) Consortium has updated the current Pay Policy to be offered to all schools across the region. The ERW Consortium consists of the following County Councils, Carmarthenshire, Ceredigion, Neath & Port Talbot, Pembrokeshire and Powys and City of Swansea.

Teaching associations have been fully consulted on the Model Unattached Teachers' Pay Policy 2019/20, both regionally and locally.

The ERW region developed a regional Model Unattached Teachers' Pay Policy which it can distribute to schools for consideration and adoption by governing bodies. This policy encompasses the changes to teachers' pay arrangements as outlined in the STPC(W)D 2019 and will assist in achieving a high level of consistency across the region.

Each Local Authority is going through their individual Council process for endorsement of the policy.

Detailed report attached:                      No

Policy, Crime & Disorder & Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>

### 1. Policy, Crime & Disorder

The document called School Teachers' Pay and Conditions (Wales) Document (STPC(W)D) is updated each year which can lead to amendments in the model pay policy offered to schools.

### 2. Legal

The Model Unattached Teachers' Pay Policy has been updated to reflect legislative changes introduced by the School Teachers' Pay and Conditions (Wales) Document 2019.

### 3. Finance

Approximately 4% of teachers pay costs are met centrally rather than by delegated school budgets.

For 2019-20 financial year, Welsh Government provided grant funding to local authorities to meet the part year costs of the pay award above 1%. This provides additional funding to schools when compared with the budget set by County Council in February 2019. For 2020-21, the part year grant funding has been transferred into the settlement. The remainder is validated into departmental budgets, with funding provided from the improved settlement.

### 5. Risk Management Issues

The schools are statutorily bound to have a pay policy in place.

### 6. Staffing Implications

The HR Team will provide advice and guidance to schools on the application of the Model Unattached Teachers' Pay Policy 2019/20 as required.

## CONSULTATIONS

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

Signed:   
ASSISTANT CHIEF EXECUTIVE (PEOPLE MANAGEMENT)

**1. Scrutiny Committee**

None

**2. Local Member(s)**

Preliminary Executive Board -

**3. Community / Town Council**

None

**4. Relevant Partners**

None

**5. Staff Side Representatives and other Organisations**

Education & Children's Services Employee Relations Forum - 12<sup>th</sup> December 2019  
ERW HR / TU Forum – 29<sup>th</sup> November 2019

**Section 100D Local Government Act, 1972 - Access to information  
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Model Unattached Teachers' Pay Policy 2019/20		



Ein Rhanbarth ar Waith  
Education through Regional Working

# Model Unattached Teachers' Pay Policy 2019/20

Cynghrair o 6 awdurdod lleol yw ERW a reolir gan gyd-bwyllgor cyfansoddiadol cyfreithiol.  
Y nod yw gweithredu strategaeth a chynllun busnes rhanbarthol cytunedig a chefnogi gwelliant ysgolion.

ERW is an alliance of 6 local authorities governed by a legally constituted joint committee.  
Its aim is to implement the agreed regional strategy and business plan to support school improvement.



<b>DOCUMENT CONTROL</b>	
<b>Policy Name</b>	Unattached Teachers' Pay Policy 2019/20
<b>Department</b>	Human Resources
<b>Reviewing Officers</b>	ERW HR Group on behalf of the 6 constituent Local Authorities
<b>CONSULTATION PROCESS</b>	
<p>The following Trade Unions have been consulted in respect of this Policy:</p> <ul style="list-style-type: none"><li>• ASCL</li><li>• NAHT</li><li>• NASUWT</li><li>• NEU</li><li>• UCAC</li></ul>	



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**1. INTRODUCTION**

- 1.1. This Pay Policy provides a framework for making decisions on unattached Teachers' pay. It has been developed to comply with the requirements of the School Teachers Pay and Conditions (Wales) Document (STPC(W)D) and has been subject to consultation with all recognised Teaching Associations.
- 1.2. For the purpose of this policy, unattached Teachers refers to Teachers who do not fall under the control of School's Governing Bodies e.g. Peripatetic Teachers, Athrawon Bro, Centrally Employed Teachers etc.

**2. STATEMENT OF INTENT**

- 2.1. The procedures for determining pay in this service area will be consistent with the principles of public life: objectivity, openness and accountability.
- 2.2. Line Managers will act with integrity, confidentiality, objectivity and honesty in the best interest of the Local Authority in relation to the operation of this Policy.
- 2.3. Line Managers will be open about pay decisions made and actions taken, and will be prepared to explain decisions and actions to the interested persons.
- 2.4. Any future revisions to this policy will comply with the STPC(W)D and will be subject to consultation with relevant parties, including recognised trade unions.

**3. EQUALITIES LEGISLATION**

- 3.1. The Local Authority is committed to ensuring equality in everything that we do. The Equality Act 2010 has replaced and strengthened previous equality legislation. The Local Authority will comply with all relevant equalities legislation.
- 3.2. This Policy will be applied consistently to all employees irrespective of age, disability, race, gender (sex), gender reassignment, marriage / civil partnership, pregnancy / maternity, religion, belief and sexual orientation.
- 3.3. The Local Authority will promote equality in all aspects of the service, particularly in relation to all decisions on the advertising of posts, appointing, promoting and paying staff, training and staff development.

**4. EQUALITIES AND PERFORMANCE-RELATED PAY**

- 4.1. The Local Authority will ensure that pay processes are transparent and fair. All decisions made will be objectively justified and recorded. Reasonable adjustments will be made on a case by case basis to take account of individuals' circumstances such as long-term absence on the grounds of maternity or ill-health

**5. JOB DESCRIPTIONS**

- 5.1. The Local Authority will ensure that each member of staff is provided with a job description in accordance with the agreed staffing structure (**see Appendix 10**).
- 5.2. Job descriptions will identify key areas of responsibility and may be reviewed and changed from time to time in consultation and in agreement with the individual(s) concerned in order to make reasonable changes in light of the changing needs of the Local Authority.

**6. APPRAISALS**

- 6.1. The Local Authority will comply with the School Teacher Appraisal (Wales) Regulations 2011, concerning the appraisal of unattached Teachers through the application of the Local Authority's Performance Management Policy.

**7. LOCAL AUTHORITY'S OBLIGATIONS**

- 7.1. The Local Authority will:
- Fulfil its obligations as set out in the STPC(W)D and the Conditions of Service for School Teachers in England and Wales (the 'Burgundy Book');
  - establish a mechanism for dealing with pay decisions and pay appeals;
  - determine all pay progression decisions, taking account of recommendations from the Line Manager;
  - ensure that it makes funds available to support pay decisions, in accordance with this Pay Policy and the service area's spending plan;
  - ensure that Teachers, via their Line Manager, are informed about pay decisions which affect them, and that records are kept of recommendations and decisions made; and
  - monitor, on an annual basis, the outcomes of pay decisions, including the extent to which different groups of Teachers may progress at different rates. The outcome of the review will be shared with recognised trade union representatives.

**8. LINE MANAGER'S OBLIGATIONS**

- 8.1. The Line Manager will:
- ensure that all relevant factual information is considered during the appraisal process;

## **MODEL UNATTACHED TEACHERS' PAY POLICY 2019/20**

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- ensure that all appraisers (where not the Line Manager) provide accurate, relevant, complete and timely information about pay recommendations;
- moderate performance assessments and initial pay recommendations to ensure consistency and fairness;
- submit pay recommendations to the appropriate Head of Service / Pay Panel and ensure the Head of Service / Pay Panel has relevant information upon which to make pay decisions;
- inform Teachers about the Local Authority's Pay Policy and ensure its accessibility;
- notify payroll and / or HR staff within the Local Authority about pay decisions to be implemented; and
- ensure that a report on the operation of the Pay Policy is made available for discussion at service area level with the relevant Trade Unions on an annual basis.

### **9. TEACHERS' OBLIGATIONS**

9.1. Teachers will:

- familiarise themselves with the provisions of this Pay Policy, the STPC(W)D, the relevant professional standards and all relevant Local Authority employment policies; and
- engage positively with the processes set out in this Policy

### **10. DIFFERENTIALS**

10.1. Within the framework of the STPC(W)D, appropriate differentials will be created and maintained between posts within the service area, recognising accountability and job weight, and the Local Authority's need to recruit and retain sufficient Teachers of the required quality at all levels.

### **11. SAFEGUARDING**

11.1. Where a pay determination leads, or may lead, to the start of a period of safeguarding, the Local Authority will comply with the relevant provisions of the STPC(W)D and will give the required notification as soon as possible and within no later than one month after the determination.

**12. CAPABILITY AND PAY PROGRESSION**

- 12.1. Where a Teacher's performance has been assessed as being unsatisfactory and the Teacher is subject to the Local Authority's Capability Procedure, the Local Authority's performance management processes will be suspended in relation to the Teacher concerned until the Capability Procedure has been concluded.
- 12.2. On conclusion of the Capability Procedure, the Teacher will resume performance management processes in accordance with the Local Authority's Policy.
- 12.3. Pay progression will not be permissible in accordance with this Pay Policy while a Teacher is subject to the Local Authority's Capability Procedure.
- 12.4. On conclusion of the Capability Procedure, the Teacher would re-enter the Performance Management cycle.
- 12.5. Pay progression will not be applied retrospectively in any case of capability.

**13. PAY DETERMINATION**

- 13.1. The appropriate Head of Service / Pay Panel for his / her service area(s) will make pay decisions. For all Teachers pay he / she will be advised by the appropriate Line Manager.

**13.2. Annual Determination of Pay**

- 13.2.1. All teaching staff salaries, including those of the Manager, deputy or assistant Manager (where employed in line with the STPC(W)D), will be reviewed annually to take effect from 1<sup>st</sup> September. The Local Authority will conclude Teachers' annual pay reviews, and assessments of applications to progress to the Upper Pay Range, by 31<sup>st</sup> October; the Manager's annual pay review will be concluded by 31<sup>st</sup> December.
- 13.2.2. Reviews may take place at other times of the year to reflect, for example, any changes in circumstances, changes in a job description that lead to a change in the basis for calculating an individual's pay and in cases where a Teacher resumes performance management arrangements following capability processes.
- 13.2.3. The Local Authority will apply any future national pay awards as specified by the STPC(W)D.

**13.3. Notification of Pay Determination**

- 13.3.1. A written statement will be given to each Teacher setting out the pay and any other financial benefits to which they are entitled following a determination. Where applicable, this will include information about the basis on which it was made. This will be done by 31<sup>st</sup> October for Teachers, 31<sup>st</sup> December for Managers, or by no later than one month following the determination.

**13.4. Appeals Procedure**

- 13.4.1. The Local Authority has an appeals procedure in relation to pay. This is set out in **Appendix 8** of this Pay Policy.

**14. MANAGER'S PAY (WHERE EMPLOYED IN LINE WITH STPC(W)D)**

- 14.1. The Local Authority will ensure that the process of determining the remuneration of the Manager is fair and transparent.
- 14.2. The Local Authority will assign a seven-point leadership pay range, which can be reviewed as necessary, for the Manager, based on any permanent additional relevant factors as determined within the framework of the STPC(W)D (specifically paragraphs 9.2, 9.3 and 9.4).
- 14.3. Additional factors to be taken into account will include all permanent responsibilities of the post, challenges specific to the role and all other relevant considerations, alongside any factors relating to recruitment and retention.
- 14.4. The Local Authority may re-determine the Manager's pay range if it becomes necessary to do so (including where the Manager becomes responsible and accountable for more than one setting on a permanent basis). The Manager's pay range may also be reviewed at any time if it considers it necessary to reflect a significant change in the responsibilities of the post.
- 14.5. Payments in respect of temporary responsibilities for the Manager will not be included in the pay range but will be determined in accordance with the STPC(W)D as explained in **Appendix 6**.
- 14.6. The Local Authority will apply discretionary reference pay points for leadership pay as indicated in **Appendix 1** and has agreed a seven step pay range of L xxx to L xxx (*details to be inserted here by the service area*).

**14.7. Pay on Appointment**

- 14.7.1. For new appointments, the Local Authority will determine the leadership pay range to be advertised and will agree the starting pay on appointment, taking account of the full role of the Manager and the provisions of the STPC(W)D.
- 14.7.2. The Local Authority will adopt a three-stage process when setting the pay for new Manager appointments as set out in **Appendix 6**.
- 14.7.3. The Local Authority will review the Manager's pay range, as necessary, to ensure fair pay relativities within the service area / Local Authority.
- 14.7.4. See **Appendix 6** of this Pay Policy for guidelines on leadership pay ranges and **Appendix 7** for the Annual Review Pay Statement.

**15. DEPUTY / ASSISTANT MANAGER PAY**

- 15.1. The Local Authority will use the discretionary reference pay points for leadership pay as indicated in **Appendix 1**.
- 15.2. The Local Authority will assign a five-point leadership pay range which can be reviewed as necessary for Deputy / Assistant Manager posts (where employed in line with the STPC(W)D), based on any permanent additional relevant factors as determined within the framework of the STPC(W)D.
- 15.3. The range for individual posts will be determined according to the duties and responsibilities of the post and may vary between posts.
- 15.4. In this Local Authority, the Deputy Manager five step pay range is L xx to L xxx (*pay details to be inserted here by the service area*).
- 15.5. In this Local Authority, the Assistant Manager five step pay range is L xx to L xxx (*pay details to be inserted here by the service area*).

**15.6. Pay on appointment**

- 15.6.1. When a new appointment needs to be made, the Local Authority will determine the leadership pay range for the post to be advertised and will agree the starting pay on appointment.
- 15.6.2. The pay range will be determined in accordance with the STPC(W)D.
- 15.6.3. The Local Authority will adopt the three-stage process when setting the pay for new appointments to the wider leadership team as set out in **Appendix 6**.

**16. PAY PROGRESSION FOR THE LEADERSHIP TEAM**

- 16.1. The Local Authority must consider annually whether or not to increase the salary of members of the leadership team who have completed a year of employment since the previous pay determination and, if it determines to do so, to what salary within the relevant pay range determined in accordance with the STPC(W)D and the School Teachers Appraisal (Wales) Regulations 2011.
- 16.2. Managers will be awarded pay progression following a successful appraisal review. The review will be deemed to be successful where the member of staff has evidenced a sustained high quality of performance and has met, or has made significant progress towards meeting, his / her performance management objectives.
- 16.3. Competence in relation to the relevant standards will be taken into account as part of the Local Authority's performance management process.
- 16.4. A sustained high quality of performance on the part of the member of staff should give him / her an expectation of progression to the top of the relevant pay range,

having always taken account of the recommendation made on the member of staff's performance management appraisal statement.

- 16.5. Where a member of staff's performance management objectives have not been met, or significant progress has not been made towards meeting the objectives, pay progression will not be awarded unless the Head of Service / Pay Panel is satisfied that there are relevant extenuating circumstances. Where such a discretionary award of pay progression is made, this decision will be recorded accordingly.
- 16.6. In making its decision regarding pay progression, the Head of Service / Pay Panel will take account of the appraiser's recommendation regarding pay progression, as outlined on the member of staff's performance management appraisal statement.
- 16.7. The Head of Service / Pay Panel will record its decision regarding pay progression on the Annual Pay Review form contained at **Appendix 7**. A copy of this form will be provided to the member of staff.
- 16.8. Where pay progression is granted, the member of staff's salary will increase with effect from 1<sup>st</sup> September of the current academic year.
- 16.9. Where pay progression is not granted, the rationale for that decision will be recorded on the Annual Pay Review form. The member of staff has the right to appeal against any decision not to grant pay progression. The appeals procedure is set out in **Appendix 8**.

## 17. CLASSROOM TEACHER PAY

### 17.1. Pay on Appointment

- 17.1.1. Advertisements for vacant posts in the Local Authority will be considered by the Line Manager **[and the (insert details of panel) where appropriate]**. All posts will be advertised either internally or externally, locally or nationally as appropriate.
- 17.1.2. The advertisement will include details of the pay range and any additional payments or allowances applicable to the post.
- 17.1.3. The Line Manager, and the Head of Service where appropriate, will determine the starting salary of a vacant classroom Teacher post, in accordance with the Main Pay Range and Upper Pay Range, detailed at **Appendix 1**.
- 17.1.4. The Local Authority is committed to the principle of pay portability for Teachers **who are currently paid in accordance with the provisions of the STPC(W)D** and will apply this principle in practice when making new permanent and fixed-term appointments.
- 17.1.5. The Local Authority will not restrict the pay range advertised, or starting salary and pay progression prospects available for classroom Teacher posts, other than the minimum of the Main Pay Range and the maximum of the Upper Pay Range.



- 17.2. Pay Progression for Existing Main Pay Range and Upper Pay Range Teachers**
- 17.2.1. The Local Authority must consider annually whether or not to increase the salary of Teachers (excluding NQTs undertaking their induction year) who have completed a year of employment since the previous pay determination and, if it determines to do so, to what salary within the relevant pay range determined in accordance with the STPC(W)D and the School Teachers Appraisal (Wales) Regulations 2011.
- 17.2.2. A sustained high quality of performance on the part of the Teacher should give him / her an expectation of progression to the top of the relevant pay range, having always taken account of the recommendation made on the Teacher's performance management appraisal statement.
- 17.2.3. Teachers will be awarded pay progression following a successful appraisal review. The review will be deemed to be successful where the Teacher has evidenced a sustained high quality of performance and has met, or has made significant progress towards meeting, his / her performance management objectives.
- 17.2.4. Where a Teacher's performance management objectives have not been met, or significant progress has not been made towards meeting the objectives, pay progression will not be awarded unless the Line Manager / Head of Service is satisfied that there are relevant extenuating circumstances. Where such a discretionary award of pay progression is made, this decision will be recorded accordingly.
- 17.2.5. Competence in relation to the relevant standards will be taken into account as part of the Local Authority performance management process.
- 17.2.6. In the case of Teachers who are already on the Upper Pay Range, the Line Manager / Head of Service will also take account of whether:
- The Teacher has maintained the criteria for assessment to the Upper Pay Range (see **section 18.8** – 'Assessment', and **Appendix 2**); and
  - The Teacher continues to be highly competent in all elements of the relevant standards.
- 17.2.7. In making its decision regarding pay progression, the Line Manager / Head of Service will take account of the appraiser's recommendation regarding pay progression, as outlined on the Teacher's performance management appraisal statement. The Line Manager / Head of Service will be advised by the appraiser in making all such decisions.
- 17.2.8. The Line Manager / Head of Service will record his / her decision regarding pay progression on the Annual Teachers' Pay Review Statement contained at **Appendix 2**. A copy of this form will be provided to the Teacher.
- 17.2.9. Where pay progression is granted, the Teacher's salary will be increased with effect from 1<sup>st</sup> September of the current academic year.

17.2.10. Where pay progression is not granted, the rationale for that decision will be recorded on the Annual Teachers' Pay Review Statement. The Teacher has the right to appeal against any decision not to grant pay progression. The appeals procedure is set out in **Appendix 8**.

## **18. APPLICATIONS TO BE PAID ON THE UPPER PAY RANGE**

18.1. A qualified Teacher may apply once each year to be paid on the Upper Pay Range in accordance with the STPC(W)D and this Pay Policy.

18.2. It is each Teacher's responsibility to decide whether to submit an application.

18.3. In order for the assessment to be robust and transparent, it will be an evidence based process.

18.4. Personal objectives for the forthcoming appraisal cycle will be set, and agreed where possible, at a level which is sufficient to ensure that the criteria included in the STPC(W)D for progression to the Upper Pay Range can be met, including that the Teacher is highly competent in all elements of the relevant standards.

18.5. Teachers who have been absent from work for sickness, disability or maternity-related reasons, along with those who are not subject to the Appraisal Regulations 2011 (i.e. a Teacher who is employed on a short-term contract of less than one term), may cite written evidence from a suitable and relevant period before the date of application in support of their application.

### **18.6. Process**

18.6.1. The closing date for an application to be submitted by a Teacher to his / her appraiser is *(LA to insert date here - normally prior to the end of the Summer Term)*.

18.6.2. Exceptions may be made in some specific circumstances, e.g. those Teachers who are on maternity leave or on sick leave as at the closing date for receipt of applications. In such circumstances, the Teacher may request - at least 2 weeks before the specified closing date - an extension of no more than half a term for the submission of an application.

18.6.3. The process for applications is:

- Teacher to inform appraiser in writing, within the required timescale (see paragraphs 16.7 and 16.8 above) that he / she wishes to be considered for progression to the Upper Pay Range and that his / her personal objectives for the forthcoming appraisal period should reflect this request.

Following completion of the relevant appraisal period:

- The appraiser will complete an assessment pro-forma as shown in **Appendix 4**, setting out the appraiser's recommendation in relation to progression to the Upper Pay Range, following completion of the relevant appraisal period;

- The Line Manager will consider the appraiser's recommendation and will make a recommendation to the Head of Service / Pay Panel;
- The Head of Service / Pay Panel will make a decision about pay progression, following receipt of advice from the Line Manager;
- The Teacher will receive written notification of the outcome of their application by 31<sup>st</sup> October in the relevant year;
- Where the application is unsuccessful, the written notification will set out details of the areas of the Teacher's performance which are not considered to have satisfied the relevant criteria set out in this Policy (see 'Assessment' below);
- If requested, oral feedback will be provided by the Line Manager. Oral feedback will normally be given within 10 working days of the date of notification of the outcome of the application. Feedback will be given in a positive manner and will include advice and support about areas for improvement in order for the Teacher to meet the relevant criteria; and
- Successful applicants will move to step 1 of the Upper Pay Range with effect from 1<sup>st</sup> September of the academic year following their application being supported.

18.6.4. Unsuccessful applicants may appeal the decision as outlined in **Appendix 8**.

### **18.7. Assessment**

18.7.1. An application will only be successful where the Head of Service / Pay Panel is satisfied that all of the requirements of the STPC(W)D have been met, including that:

- the Teacher is highly competent in all elements of the relevant standards; and
- the Teacher's achievements and contribution to an educational setting or settings are substantial and sustained.

18.7.2. For the purposes of this Pay Policy, the Head of Service / Pay Panel will be satisfied that the Teacher has met the Local Authority's expectations for progression to the Upper Pay Range where the Upper Pay Range criteria (see **Appendix 3**) have been satisfied as evidenced by a successful appraisal review.

18.7.3. Further information, including details about sources of evidence, is contained in the Local Authority's Performance Management Policy.

## **19. LEADING PRACTITIONER ROLE**

19.1. The Local Authority may establish Leading Practitioner posts for Teachers whose primary purpose is the modelling and leading improvement of teaching skills.

## MODEL UNATTACHED TEACHERS' PAY POLICY 2019/20

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- 19.2. Where the Local Authority wishes to establish such posts it will determine the responsibilities and pay range for these posts. Consultation with relevant staff and trade unions will take place in relation to any such proposed changes to the staffing structure.
- 19.3. The Policy of the Local Authority will be to appoint any new Leading Practitioner Teacher to a 5-point range, as deemed appropriate by the Local Authority.
- 19.4. The pay range for Leading Practitioners will be in accordance with the STPC(W)D, which is currently a minimum of £41,267 per annum (i.e. Leadership Pay Point 1) and a maximum of £62,735 per annum (i.e. Leadership Pay Point 18).
- 19.5. The Local Authority will use the discretionary reference pay points detailed at **Appendix 1**.
- 19.6. Pay progression for Leading Practitioners will be determined as per the process set out at 17.2.1 to 17.2.10 above

### 20. UNQUALIFIED TEACHERS

- 20.1. A Teacher on the unqualified pay range will be paid an annual salary between £17,682 and £27,965 per annum. The Local Authority will use the discretionary reference pay points detailed at **Appendix 1**.
- 20.2. Under the Education (Specified and Registration) (Wales) Regulations 2010 there are specific circumstances when those other than qualified Teachers who are registered with the Education Workforce Council may carry out 'specified work'.
- 20.3. The Local Authority will comply with these legal requirements and will only employ unqualified Teachers as specified in these Regulations.
- 20.4. The Local Authority may pay an additional allowance to an unqualified Teacher who meets the criteria as defined in the STPC(W)D.
- 20.5. In order to progress up the pay range, unqualified Teachers will need to show that they have met or made significant progress towards meeting their performance management objectives, along with demonstrating the required improvement in their teaching skills.
- 20.6. In making its decision regarding pay progression, the Head of Service / Pay Panel will take account of the appraiser's recommendation regarding pay progression, as outlined on the Teacher's performance management appraisal statement. The Head of Service / Pay Panel will be advised by the Line Manager in making all such decisions.
- 20.7. The Head of Service / Pay Panel will record its decision regarding pay progression on the Annual Teachers' Pay Review Statement contained at **Appendix 2**. A copy of this form will be provided to the unqualified Teacher.

- 20.8. Where pay progression is granted, the unqualified Teacher's salary will be increased with effect from 1<sup>st</sup> September of the current academic year.
- 20.9. Where pay progression is not granted, the rationale for that decision will be recorded on the Annual Teachers' Pay Review Statement. The Teacher has the right to appeal against any decision not to grant pay progression. The appeals procedure is set out in **Appendix 8**.
- 20.10. An unqualified Teacher who obtains qualified Teacher status will be paid on the pay ranges for qualified Teachers, in accordance with this Pay Policy.

## **21. DISCRETIONARY ALLOWANCES AND PAYMENTS**

### **21.1. Teaching and Learning Responsibility Payments (TLRs)**

- 21.1.1. The Local Authority will award TLR1 and TLR2 payments to post holders as indicated in the staffing structure (see **Appendix 10**).
- 21.1.2. These payments will be awarded to Teachers who undertake clearly defined and sustained additional responsibility in the context of the service area's staffing structure for the purpose of ensuring the continued delivery of high quality teaching and learning and for which the Teacher is made accountable.
- 21.1.3. All job descriptions will be regularly reviewed and will make clear the responsibility or package of responsibilities for which a TLR is awarded.
- 21.1.4. The criteria for awarding a TLR1 and TLR2 payment will be in accordance with the STPC(W)D.
- 21.1.5. The minimum and maximum range for a TLR1 is £8,069 to £13,654 per annum.
- 21.1.6. The minimum and maximum range for a TLR2 is £2,796 to £6,829 per annum.
- 21.1.7. The value of TLRs currently in use is as follows
- TLR1** - (details of each TLR1 to be inserted here by LA)  
**TLR2** - (details of each TLR2 to be inserted here by LA)
- 21.1.8. The Local Authority may award a fixed-term TLR3 payment to a Teacher of between £555 and £2,757 per annum for a clearly time-limited school improvement project, or one-off externally driven responsibilities.
- 21.1.9. The duration of the fixed-term, and the amount of annual payment will be established at the outset and will be paid on a monthly basis.
- 21.1.10. Where the Local Authority wishes to make TLR3 payments, the proposed responsibilities, level of payment and the duration of payment will be set out clearly following consultation with relevant staff and union representatives.
- 21.1.11. A Teacher in receipt of either a TLR1 or 2 may also hold a concurrent TLR3.

21.1.12. No safeguarding will apply in relation to an award of a TLR3.

21.1.13. A TLR1 or 2 payment awarded to a part-time Teacher will be on a pro rata basis but where a TLR3 payment is awarded to a part-time Teacher, the pro rata principle will **not** apply.

## **21.2. Special Educational Needs (SEN) Allowances**

21.2.1. The Local Authority will award SEN allowances in accordance with the criteria and provisions set out in the STPC(W)D.

21.2.2. An SEN Allowance of no less than £2,209 per annum, and no more than £4,359 per annum, will be payable to a classroom Teacher in accordance with STPC(W)D.

21.2.3. The SEN values are: (*details of each SEN Allowance / value to be inserted here by LA*)

21.2.4. In deciding the SEN value, the Local Authority will take into account the structure of the SEN provision, whether any mandatory qualifications are required for the post, the qualifications or expertise of the Teacher relevant to the post, and the relative demands of the post.

## **21.3. Acting Allowances**

21.3.1. Acting allowances are payable to Teachers who are assigned and carry out the duties of Manager, Deputy Manager or Assistant Manager in accordance with the STPC(W)D.

21.3.2. The Local Authority will, within a four-week period of the commencement of acting duties, determine whether or not the acting post holder will be paid an allowance. In the event of a planned and prolonged absence, an acting allowance may be agreed in advance and paid from the first day of absence.

21.3.3. Any Teacher who carries out the duties of Manager, Deputy Manager, or Assistant Manager, for a period of four weeks or more, will be paid at an appropriate point of the Manager pay range, Deputy Manager pay range or Assistant Manager pay range, as determined by the Head of Service / Pay Panel. Payment will be backdated to the commencement of the duties but will normally be paid a month in arrears.

21.3.4. Acting allowances may also apply to Teachers covering absent colleagues in receipt of a TLR and / or SEN allowance.

## **21.4. Additional Payments**

21.4.1. With exception of those on the leadership range the Local Authority may make additional payments to a Teacher, in respect of:

- continuing professional development undertaken outside the working day;

- activities relating to the provision of initial Teacher training as part of the ordinary conduct of the service area;
- participation in out-of-school hours learning activity agreed between the Teacher and the Line Manager; and
- additional responsibilities and activities due to, or in respect of, the provisions of services by the Teacher relating to the raising of educational standards to one or more additional service areas / schools.

### **21.5. Recruitment or Retention Incentive Benefits**

- 21.5.1. The Local Authority can award lump sum payments, periodic payments, or provide other financial assistance, support or benefits for a recruitment or retention incentive. In deciding any such awards, the Local Authority will have regard to the STPC(W)D and specialist HR advice.
- 21.5.2. Managers, Deputy Managers and Assistant Managers may not be awarded such a payment other than as reimbursement of reasonably incurred housing or relocation costs.
- 21.5.3. All other recruitment and retention considerations in relation to a Manager, Deputy Manager or Assistant Manager post will be taken into account when determining the pay range.
- 21.5.4. The reason for the award of any additional payment, the expected duration of any such incentive or benefit, and the review date after which they may be withdrawn will be made clear at the outset, in writing.
- 21.5.5. The Local Authority will conduct an annual review of all such awards.

## **22. PART-TIME TEACHERS' PAY AND TIME CALCULATIONS**

- 22.1. Teachers employed on an ongoing basis but who work less than a full working week will be deemed to be part-time.
- 22.2. Part-time Teachers will be provided with a written statement detailing their working time obligations and the standard mechanism used to determine their pay, subject to the provisions of the statutory pay and working time arrangements and by comparison with the service area's timetabled teaching week for a full-time Teacher in an equivalent post. This does not affect the TLR3 payment which is not pro rata for part-time staff. See **Appendix 9** for further information.

## **23. TEACHERS EMPLOYED ON A SHORT-TERM NOTICE BASIS (SUPPLY)**

- 23.1. Teachers employed on a supply basis will be paid on a daily basis calculated on the assumption that a full working year consists of 195 days; periods of employment for less than a day being calculated pro rata.

2018/19 PAY RANGES

**Main Pay Range:**

<b>Point</b>	<b>Value</b>
MPR 1	£24,906
MPR 2	£26,041
MPR 3	£28,133
MPR 4	£30,299
MPR 5	£32,686
MPR 6	£35,971

**Upper Pay Range:**

<b>Point</b>	<b>Value</b>
UPR 1	£37,654
UPR 2	£39,050
UPR 3	£40,490

**Leading Practitioner Pay Range:**

<b>Point</b>	<b>Value</b>
LP 1	£41,267
LP 2	£42,300
LP 3	£43,356
LP 4	£44,436
LP 5	£45,542
LP 6	£46,685
LP 7	£47,942



LP 8	£49,048
LP 9	£50,272
LP 10	£51,564
LP 11	£52,902
LP 12	£54,121
LP 13	£55,474
LP 14	£56,857
LP 15	£58,272
LP 16	£59,821
LP 17	£61,195
LP 18	£62,735

**Unqualified Teachers Pay Range:**

<b>Point</b>	<b>Value</b>
UNQ 1	£17,682
UNQ 2	£19,739
UNQ 3	£21,794
UNQ 4	£23,851
UNQ 5	£25,909
UNQ 6	£27,965

**Leadership Pay Range:**

<b>Point</b>	<b>Value</b>
L1	£41,065
L2	£42,093
L3	£43,144

L4	£44,218
L5	£45,319
L6	£46,457
L7	£47,707
L8	£48,808
L9	£50,026
L10	£51,311
L11	£52,643
L12	£53,856
L13	£55,202
L14	£56,579
L15	£57,986
L16	£59,528
L17	£60,895
L18*	<b>£61,808</b>
L18	£62,426
L19	£63,975
L20	£65,561
L21*	<b>£66,517</b>
L21	£67,183
L22	£68,851
L23	£70,556
L24*	<b>£71,590</b>
L24	£72,306
L25	£74,103
L26	£75,936

L27*	<b>£77,048</b>
L27	£77,818
L28	£79,748
L29	£81,723
L30	£83,757
L31*	<b>£84,976</b>
L31	£85,826
L32	£87,960
L33	£90,145
L34	£92,373
L35*	<b>£93,732</b>
L35	£94,669
L36	£97,013
L37	£99,424
L38	£101,885
L39*	<b>£103,334</b>
L39	£104,368
L40	£106,972
L41	£109,644
L42	£112,392
L43	£114,060

\* These points and Point L43 are the maximum scale points for the eight HeadTeacher Group Ranges

ANNUAL TEACHERS' PAY REVIEW STATEMENT

<b>Name:</b> .....	<b>Employee No.:</b> .....
<b>Service Area:</b> .....	<b>Effective Date:</b> .....

**SALARY DETAILS**

Salary and Point - Main Pay Range (S1 - S6)	£	Point
Salary and Point - Upper Pay Range (S1 – S3)	£	Point
Salary and Point - Unqualified Range (S1 - S6)	£	Point
Salary and Leading Practitioner Range	£	Point

**ALLOWANCES**

Details e.g. temp  
(with dates), reason  
for allowance

Teaching and Learning Responsibility Payments (See Pay Policy Advice) TLR1 / TLR2 / TLR3	TLR____ £
Recruitment or Retention (See Pay Policy Advice)	£
Special Educational Needs Allowance (See Pay Policy Advice)	£
Other Allowances - Please specify (See Pay Policy Advice)	£
<b>SAFEGUARDING</b>	£
<b>TOTAL SALARY</b>	£

Head of Service / Pay Panel Meeting on: .....

Signature of Line Manager: ..... Date: .....

**UPPER PAY RANGE PROGRESSION CRITERIA**

**1. Professional Attributes**

- 1.1. Contribute significantly, where appropriate, to implementing workplace policies and practice and to promoting collective responsibility for their implementation.

**2. Professional Knowledge and Understanding**

- 2.1. Have an extensive knowledge and understanding of how to use and adapt a range of teaching, learning and behaviour management strategies, including how to personalise learning to provide opportunities for all learners to achieve their potential.
- 2.2. Have an extensive knowledge and well-informed understanding of the assessment requirements and arrangements for the subjects / curriculum areas they teach, including those related to public examinations and qualifications.
- 2.3. Have up-to-date knowledge and understanding of the different types of qualifications and specifications and their suitability for meeting learners' needs.
- 2.4. Have a more developed knowledge and understanding of their subjects/curriculum areas and related pedagogy including how learning progresses within them.
- 2.5. Have sufficient depth of knowledge and experience to be able to give advice on the development and wellbeing of children and young people

**3. Professional Skills**

- 3.1. Be flexible, creative and adept at designing learning sequences within lessons and across lessons that are effective and consistently well-matched to learning objectives and the needs of learners and which integrate recent developments, including those relating to subject/curriculum knowledge.
- 3.2. Have teaching skills which lead to learners achieving well relative to their prior attainment, making progress as good as, or better than, similar learners nationally.
- 3.3. Promote collaboration and work effectively as a team member.
- 3.4. Contribute to the professional development of colleagues through coaching and mentoring, demonstrating effective practice, and providing advice and feedback.

ASSESSMENT OF TEACHER APPLICATION TO PROGRESS TO UPPER PAY RANGE

For Completion by the Teacher's Appraiser

Teacher's Name:	
Post:	

**Evidence from most recent appraisal  
Please state which appraisal statement is attached:**

**\*Criteria Met** **\*Criteria Not Met**  
(\* Please delete as appropriate)

**If criteria have not been met in full, please record details below (and continue overleaf, as necessary) about the areas of the Teacher's performance which do not satisfy the criteria:**

Signed \_\_\_\_\_ (Appraiser)

Date: \_\_\_\_\_

**TO BE SUBMITTED TO THE LINE MANAGER / HEAD OF SERVICE**

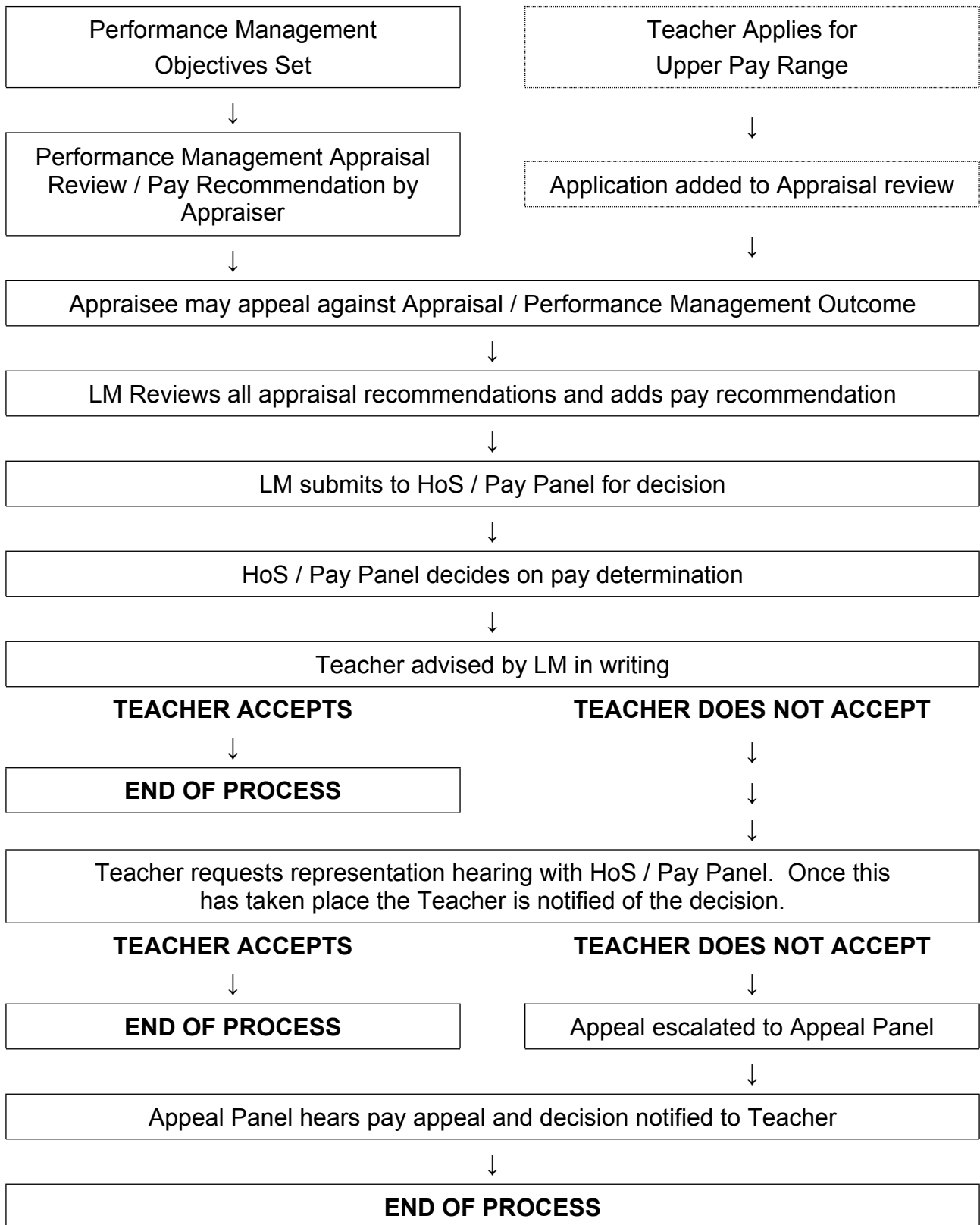
**Service Area Use Only**

Application Form Received on: \_\_\_\_\_

Assessment made on: \_\_\_\_\_

By: \_\_\_\_\_

**FLOWCHART OF PAY REVIEW PROCESS  
(Not including Manager)**



## LEADERSHIP TEAM SALARIES GUIDANCE

### 1. Manager and Leadership Team

Whilst there is no longer a national pay scale published for leadership posts within the STPC(W)D, the national employers along with the recognised trade unions have published indicative pay rates based on a 43 step leadership salary scale on which a Manager, Deputy Manager and Assistant Manager could be paid as determined by the Local Authority. These are set out below.

### 2. New Leadership Appointments / Changes to existing Leadership Pay Structures - Three Stage Process

The Local Authority should follow the three stage process when setting the pay for **new appointments or revising existing pay structures in respect of Managers or the wider leadership team.**

**Stage 1** - Defining the role

**Stage 2** - Setting the indicative pay range

**Stage 3** - Deciding the starting salary and individual pay range

All decisions and the reasons for them should be well documented at every stage. All pay decisions must be made on objective criteria so that there is no discriminatory effect of any group of Teachers with a particular protected characteristic under the Equality Act 2010.

It is suggested that Head of Service seek advice when calculating and recording leadership pay structure decisions

#### **Stage 1 - Defining the Role**

The Local Authority should, at this stage, define the job and identify the broad pay range as a provisional guide to determining appropriate level of pay. The Local Authority will need to define and set out the specific role, responsibilities and accountabilities of the post as well as the skills and relevant competences required.

For other leadership team posts, the Local Authority should consider how the role fits within the wider leadership structure of the service area. The pay range for a Deputy Manager or Assistant Manager should only overlap the Manager's pay range in **exceptional** circumstances.

#### **Stage 2 - Setting the Indicative Pay Range**

At this stage, the Local Authority will need to consider the complexity and challenge of the role in the particular context of the service and make a judgement on pay in light of this.



For Manager posts, it is expected that normally the Local Authority will conclude that the total unit score fully captures the complexity of the Manager role and that the relevant broad pay range accommodates appropriate levels of reward, in line with the STPC(W)D. The Local Authority will need to consider whether the indicative pay range should start at the minimum of the Manager's pay scale or whether they wish it to start at a higher level because of the level of challenge of the post.

There may be circumstances, however, in which there are additional factors that suggest the indicative pay range should be higher than would be provided by the basic calculation in Stage 1.

The following represent some examples of additional factors to be considered (this list is not exhaustive):

- The context and challenge arising from pupils' needs e.g. if there is a high level of deprivation in the community (Free School Meal entitlement and / or English as an Additional Language) or there are high numbers of looked after children or children with Additional Learning Needs and this affects the challenge in relation to improving outcomes;
- A high degree of complexity and challenge e.g. accountability for multiple service areas / schools or managing across several dispersed sites, which goes significantly beyond that expected of any Manager of similar-sized service area / school(s) and is not already reflected in the pay range; and
- Factors that may impede the service area's ability to attract appropriately qualified and experienced leadership candidates e.g. location, language medium, subject area / specialism and / or level of support from the wider leadership team.

The Local Authority may set the indicative pay range with a **maximum of up to 25% above the top of the relevant Manager pay range.**

Above that limit, external independent advice must be sought and, should the advice suggest a range which exceeds this limit is appropriate, a business case must be made and agreed by the Head of Service.

The Local Authority **SHOULD NOT** increase base pay nor pay an additional allowance for regular local collaboration which is part of the role of all Managers.

For other leadership roles the process is broadly the same. The Local Authority will wish to consider how the other leadership roles should be set in accordance with the level set for the Manager and to ensure that there is sufficient scope for progression. Consideration should also be given to any teaching posts that carry additional allowances.

At the end of this stage, the Local Authority should decide where in the broad range to position the indicative pay range and set this out clearly when advertising the post. An overall judgement should be made on the position and breadth of range, allowing appropriate scope for performance-related progression over time, clearly linked to service / school improvement priorities and outcomes.

There should be a clear audit trail for all decisions made and the reasoning behind them.

It is also expected where possible that the Local Authority will undertake a process of benchmarking of salaries before setting the pay range for the Manager or other leadership posts.

For those factors which are not expected to persist, such as temporary responsibility for an additional service area / school, these should be reflected through an allowance rather than consolidated into the indicative pay range.

### **Stage 3 - Deciding the starting salary and Individual Pay Range for new appointments**

The first two stages provide the means for determining the appropriate pay range. The third stage is essentially about deciding on the starting salary for the individual who is to be offered the post.

At this stage, the Local Authority will have a preferred candidate for the role and will wish to set the starting salary in the light of candidate-specific factors, such as the extent to which the candidate meets the specific requirements of the post.

It will be important to ensure there is scope for performance-related progression over time.

There must be a clear audit trail for any advice given and a full and accurate record of all decisions made and the reasoning behind them.

### **3. Establishing a Pay Range above the Manager's Pay Scale**

The expectation is that in most cases the pay range will be within the limits of the Manager's pay scale. However, in some cases e.g. where there may be significant difficulty in making an appointment or there is a need to incentivise a Manager to take on responsibility for a very large service area / school or to lead multiple large service areas / schools, it may be appropriate to consider extending the individual pay range.

The Local Authority can, in such cases, decide that the maximum of the pay range may be above the maximum of the Manager's pay scale, **up to an additional 25%**.

If it is considered that there are exceptional circumstances that warrant an extension beyond that limit, a business case would be required. The Head of Service would need to seek external independent advice from an appropriate person or body who can consider whether it is justifiable to exceed the limit in a particular case.

There must be a clear audit trail for any advice given and a full and accurate record of all decisions made and the reasoning behind them.

#### **4. Pay Progression for all Leadership Posts**

It is the responsibility of the Local Authority to ensure that performance-based progression awards reflect individual performance.

The Pay Policy should be updated on an annual basis to ensure that they remain fit for purpose. The Local Authority will need to satisfy itself that objective-setting is fair, reasonable and meaningful, but rigorous, and that the Pay Policy provides a clear link between levels of achievement and progression.

Local Authorities have the freedom to award progression increases as they judge appropriate in their particular circumstances. Although no progression award should be made if it is not justified.

The Local Authority will consider awarding additional increment(s) for sustained high quality performance against the set criteria, or where performance has been exceptional and exceeded all the expectations.

##### Temporary Payments for Managers

In addition, the Local Authority may consider an additional payment to the Manager in respect of clearly temporary additional duties and responsibilities or duties that are in addition to the post for which their salary has been determined e.g. where they are providing services to other service areas / schools. Including where the Manager is appointed as a temporary Manager of one or more additional service areas / schools not included as a permanent factor in the calculation of the pay range.

#### **5. Salary Protection**

If the Local Authority chooses to reduce the leadership pay range, the member of staff will be entitled to receive a safeguarded sum for a period of up to three years, subject to the STPC(W)D.



### PAY REVIEW PROCESS

The Local Authority is committed to ensuring that appeals against pay decisions are dealt with quickly, fairly and are consistent with equalities and other relevant legislation, as well as the STPC(W)D.

Teachers, including Managers, may appeal any determination in relation to their pay or any other decision taken by the Local Authority (or Pay Panel or individual acting with delegated authority) that affects their pay.

Reasons for appeal may include the following, which is not an exhaustive list. That the person or Panel making the decision:

- a) incorrectly applied any provision of the STPC(W)D;
- b) failed to have proper regard for statutory guidance;
- c) failed to take proper account of relevant evidence;
- d) took account of irrelevant or inaccurate evidence
- e) was biased; or
- f) or otherwise unlawfully discriminated against the Teacher.

For both the representation hearing and the appeal hearing, the Teacher is entitled to be accompanied by a work colleague or trade union representative.

#### Stage 1 - Informal Discussion

A Teacher who is dissatisfied with a pay recommendation has the opportunity to discuss the recommendation with his / her appraiser or Line Manager before the recommendation is actioned and confirmation of the pay decision is made by the Local Authority.

If, having had an informal discussion with the person making the pay recommendation, the Teacher believes that an incorrect recommendation has been made, he / she may make representation to the Head of Service / Pay Panel (see Stage 2 below).

#### Stage 2 - Representation Hearing

1. The Teacher receives written notification of the pay determination and, where applicable, details of the basis on which the decision was made. The Head of Service / Pay Panel will ensure the Teacher is aware of the process for making representation and appealing against the decision, if appropriate.
2. If the Teacher wishes to make representation, he/she should do so by writing to the Head of Service / Pay Panel within 10 working days of receiving the decision.
3. The Head of Service / Pay Panel will arrange for a representation hearing to take place as soon as possible, which will be chaired by him / her. The Line Manager may be required to attend the hearing to clarify the grounds for the pay recommendation.
4. The Teacher will be provided with between 5 and 10 working days' notice of the representation hearing. The Teacher may attend the hearing in order to present evidence, call witnesses and ask questions of the Head of Service / Pay Panel.

5. The Head of Service / Pay Panel will decide if the original pay determination is to be amended and will write to the Teacher about the outcome within 5 working days of the decision being reached.
6. Where the Teacher continues to be dissatisfied, he / she may appeal this decision within 10 working days of receiving the Head of Service / Pay Panel's outcome letter by proceeding to Stage 3 of the process.

### **Stage 3 - Appeal Hearing**

1. The Teacher should clearly set out in writing the grounds for appealing the pay decision and send it to the Line Manager or other designated person (as agreed) within 10 working days of receipt of the written outcome of the Stage 2 decision (see above).
2. The Line Manager will arrange for an appeal hearing to take place as soon as possible, but normally within 20 working days of the receipt of the written appeal notification.
3. The Teacher should be provided with between 5 and 10 working days' notice of the hearing.
4. The appeal should be heard by a Panel. The Panel will comprise of a Head of Service and a Manager who were not involved in the original decision. In a Pupil Referral Unit, the appeal will be heard by members of the PRU Management Team not involved in the original decision.
5. The Appeal Panel's decision is final and, as set out in Section 3, paragraph 7 of the STPC(W)D 2019, there is no recourse to the Local Authority's Grievance Procedure.
6. Those required to attend the appeal hearing include:
  - Chair and other Appeal Panel members
  - The Teacher and his/her representative or work colleague (if the Teacher is accompanied)
  - Witnesses for the employee side (if appropriate)
  - The Head of Service / Chair of Pay Panel who made the original decision, who will clarify the reasons for the original decision
  - Witnesses for the management side (if appropriate)
  - Clerk to the hearing
  - HR Adviser to give advice to the Appeal Panel (subject to the provisions of any Service Level Agreement)

### **A model procedure for formal appeal meetings**

Chair introduces everyone and their role in the proceedings.

- The Teacher will present his/her case including any evidence to be considered and any witnesses they have called;
- Appeals Panel members may ask questions of the Teacher, as may the Head of Service / Pay Panel representative;

- Head of Service / Pay Panel representative will state their case including the evidence on which the decision was based and call any witnesses to support the case, if appropriate
- Appeals panel members may ask questions of the Head of Service / Pay Panel representative, as may the Teacher;
- Both parties may make a closing statement if they wish (Teacher first, followed by Head of Service / Pay Panel representative). No new evidence can be introduced at this stage;
- Both parties leave the hearing;
- The Appeals Panel may request advice from the HR Adviser (if applicable). Once this has been given, the HR Adviser will leave the hearing but may be recalled for further advice (if applicable);
- The Appeals Panel will consider all the evidence and reach a final decision;
- The Appeals Panel will call the parties back to inform the Teacher of the decision (if awaiting the decision) or instruct the Clerk to write to the Teacher on their behalf with their decision and the reasons for it; and
- The Clerk will notify the Payroll Department of change of pay, if appropriate.

**PART-TIME TEACHERS' PAY AND TIME CALCULATIONS**

A School's Timetabled Teaching Week must be established and a part time Teacher must be paid a proportion of the STTW.

The Local Authority must establish a STTW week for each Teacher, this refers to school sessions hours that are timetabled for teaching, including PPA but excluding break times, registration and assemblies.

Part-time Teachers will then be paid on actual teaching time excluding registration assemblies and breaks.

For Example:

If the school day, excluding registration and assembly, runs from 9.00am to 12.15pm and again from 1.15pm to 3.30pm with one 15 minute break in the morning session and one 15 minute break in the afternoon session, the STTW for a full-time Teacher would be calculated as 25 hours. If a part-time Teacher were employed for mornings only working 9.00am to 12.15pm every day, their percentage of the timetabled teaching week would be calculated as 15 hours. This is shown below:

	Morning Session (less breaks, registration & assembly)	+	Afternoon Session (less breaks, registration & assembly)	x	No. of Days in Timetable	=	STTW	% of STTW
Full-Time	3 Hours	+	2 Hours	x	5 Days	=	25 Hours	100%
Part-Time	3 Hours			x	5 Days	=	15 Hours	60%

**PPA and Management Time** must be included when calculating class contact time.

**Directed Time** - a Line Manager may allocate directed time to part-time Teachers (subject to conditions) as a proportion of a FTE 1265. Part-time Teachers can now be directed to cover breaks, assemblies and registration as part of their directed duties.

Part-time Teachers cannot be required to be available for work (either for teaching or other duties) on days they do not normally work. However, they may attend by mutual agreement with the Line Manager. Any resultant additional hours should be paid at the Teacher's normal salary.

Part-time Teachers may be required to carry out duties, other than teaching pupils, outside school sessions on the day on which the Teacher is normally required to be available for work (whether the Teacher is normally required to be available for work for the whole or part of that day). This can form part of directed time.



**SERVICE AREA'S STAFFING STRUCTURE**

(LA to enter details below as applicable at the time of this Pay Policy being adopted by the Local Authority)

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